Report card time for Europe's auto makers

Financial results drop GM and Ford near the bottom of the class

By Richard Feast
European Editor

School's out and it's time for anxious parents to take a look at reports from the European class of 1984. The star automotive pupils showed little modesty in rushing home with the good news — early. Just how good could not be determined until the laggards reluctantly turned up with their results — late.

Now that most reports are in, it is possible to put some into perspective. In global terms, in competition with rivals from the U.S. and Japan, the overall European sales performance is only average. True, there are some outstanding world-class results, but they tend to be from the better-off neighborhoods of West Germany and Sweden.

But far too many reports from the middle-class suburbs and community-housing estates of France, Italy and Britain carry the legendary rider, "Must try harder." One particular French pupil, a model of diligence and good citizenship until recently, is now wearing the dunce's cap.

The Americans in Europe have moved in the same downward direction. They now occupy positions in the bottom half of the class, though in the past both have done much better; one American was for some time school champion. But the way in which they now are overshadowed by the showings of their big brothers and sisters in the U.S. has caused speculation that the parents will start a regime of cutting pocket money or even disowning their offspring.

More seriously, 1984 financial reports presented by Europe's vehicle makers indicate two main factors. First, no matter how small a company's production volume, if the company has a good enough image, it will grow and earn a solid financial return. Second, for mass-market manufacturers, having bright new models the public wants can do wonders for the bottom line.

Examples of the first category range from Porsche and Jaguar to Daimler-Benz and BMW, by way of Volvo and Saab. In the second case, cars like Uno and Golf have paved the way for the recoveries at Fiat and Volkswagen; the 205 would do the same for Peugeot group were it not for the distinctly average nature of the company's other products.

Underlying the mass-market scene in Europe is the unprecedented promotional war. Profit margins are being hacked back at manufacturer and dealer levels to secure customer orders. The consumer is getting better value for money than at any time in recent history, but the bargains are being paid for in corporate revenues.

The pressure is on to cut costs. Ford of Europe talks openly of the need to tackle that task. Renault's job-cutting is part of the same process. Fiat, which has gone a long way down that road already, is keenly talking of collaboration with Ford in order to cut costs. "Only a company as big as General Motors could afford to carry these (European) losses," comments Fiat group chairman Giovanni Agnelli.

GM's European operations reported a deficit of $291 million on sales of $6.98 billion in 1984. They were led by an Adam Opel postwar record loss of $236 million. Elsewhere, GM's Vauxhall and Bedford in the UK and the new Spanish company were in similar positions.

There is widespread belief in Europe that GM is prepared to carry such losses until it has overtaken arch-rival Ford in the European new-car sales race. The two are now neck-and-neck, GM having trailed Ford by a considerable margin until recently.

The chase is having its effect on Ford. Its profits have tumbled ($147 million on sales of $9.08 billion in 1984), and it is expected to turn in a deficit this year. Not so long ago — before the advent of GM as a serious competitor — Ford Europe's annual profit line exceeded $1 billion.

Ironically, while the two U.S. multinationals are charging after each other, they have fallen behind two resident Europeans who put their houses in relative order. In sales so far this year, Volkswagen group and Fiat Auto have pulled into a slight lead. On top of last year, when their financial posture improved noticeably, this can only augur well for their future.

Of the other two big-volume manufacturers, Renault's much-publicized $1 billion deficit is being vigorously tackled by new president Georges Besse, while Peugeot president Jacques Calvet

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European auto makers results, 1984

Group	Sales	Net profit (loss)	Production	Employees
Alfa Romeo	$ 1.63b	($ 52m)	194,400	38,800
BL	$ 4.66b	($110m)	455,800	96,00
BMW	$ 5.59b	$56m +	432,000	51,900
Daf	$ 589m	$ 2m	13,600	8,700
Daimler-Benz	$14.75b	$374m	689,300	199,800
Fiat	$12.53b	$330m	1,501,400	230,800
Ford of Europe	$ 9.08b	$147m	1,517,100	117,700
Britain	$ 5.14b	$ 68m	406,300	58,700
Germany	$ 4.33b	($101m)	791,800	46,500
Spain	$ 1.09b	$ 65m	269,200	9,000
General Motors	$ 6.98b	($291m)	1,221,000	122,000
Bedford	$ 460m	($ 85m)	47,000	7,700
Opel	$ 4.36b	($236m)	795,500	59,700
Vauxhall	$ 1.78b	($ 9m	117,100	12,400
Jaguar	$869m	$ 58m	33,400	9,700
Peugeot SA	$10.11b	($ 38m)	1,600,000	168,100
Porsche	$ 844m	$ 31m	44,000	7,100
Renault	$12.99b	($1.39b)	1,780,800	213,700
Saab-Scania	$ 3.03b	$ 80m	126,500	43,100
Volkswagen	$15.48b	$ 77m	2,147,700	238,400
Volvo(S)	$10.17b	$479m	308,200	68,600
Volvo (NL)	$ 544m	$ 4m	108,900	6,300

Exchange rate conversions were made at the following mid-July values for the dollar: 9.01 French francs, 2.95 Deutschmarks, 1,900 Italian lira, 0.73 UK pound, 8.56 Swedish crowns, 3.33 Dutch guilders, 166 Spanish pesetas.
+ BMW profit entry is for parent BMW AG only, as worldwide results are not consolidated.

European sales scramble

Major upsets in Scandinavian market

Leading positions in the four Scandinavian new-car markets are topsy-turvy this year. Upsets include General Motors Opel taking over as leading seller from Ford in Norway and Denmark.

Preliminary returns for the first five months of 1985 also show Toyota has overtaken Nissan to become No. 1 in Finland. In Sweden, Saab has lost its traditional second place (behind Volvo), and is fifth behind VW-Audi, Ford and Opel.

Elsewhere in Europe, VW-Audi has eased ahead of Peugeot group (PSA) in Belgium. In West Germany, Ford's familiar No. 3 slot (behind VW and Opel) has been claimed in dramatic fashion by seemingly unstoppable Mercedes-Benz.

These are among the highlights of unofficial pan-European registration figures circulating within the European auto industry. Total industry sales for five-months 1985 showed a 1.8 percent fall to 4.77 million units from the same period a year earlier.

Opel successes in Norway and Denmark are representative of the chase across all of Europe, where GM wants to be ahead of Ford. In Norway, where sales rose 34 percent to 59,300 in the five months, Opel's market share was 14.5 percent compared with 12.1 percent a year earlier. Ford fell from 14.9 to 13.5 percent, and is in danger of being overtaken by VW (13 percent).

In Denmark, Ford's 16.5 percent in the first five months of 1984 dropped to 16 percent this year, as Opel soared from 15.3 to 17.8 percent on the wings of the reception given its new Kadett. Total sales in Denmark increased 4.2 percent to 70,400.

Car buying in Finland was up almost 11 percent at 63,900 units. During the five-month period, Toyota moved to 12.3 percent market share from 10 percent last year. That was enough to move above Nissan, whose 1984 share of 11.9 percent slipped to 11.5 percent the first five months of this year.

An unexpected boom in Swedish demand — up 15 percent to 115,300 in the five months — caught Saab flat-footed. Underestimating domestic demand, the company was unable to redirect promised export orders to Swedish customers.

Thus, from being a distant second to Volvo last year and for many years past, Saab fell to fifth this year with 10.8 percent, behind Volvo (27.2), VW-Audi (11.9), Ford (11.7) and GM Opel (11.1).

In Belgium, PSA's combined Citroen and Peugeot/Talbot networks have been market leaders for some time. In the first five months of 1984 their share was 13.1 percent compared with VW-Audi's 12.6 percent. This year the five-month shares are 14.2 percent VW and 14.1 percent PSA. Industry sales in Belgium were down 3 percent at 192,100.

A serious sales slide in West Germany resulted in market share losses by BMW, Audi, Ford and Opel. Only VW, Mercedes-Benz and Porsche increased. The most dramatic shift in positions was by Ford and Mercedes.

Ford's share fell from 12.1 to 9.8 percent in the five-month period. Mercedes outsold Ford in Germany in during that time as its share improved to 11.3 percent compared with 9.4 percent a year earlier. The VW nameplate increased to 22.9 percent to retain first place. Second-place Opel's share fell to 15.9 percent.

— Richard Feast

In celebration of the company's 100,000th car, these special Rolls Royce Centenary models are ready for shipment. The U.S. will receive 12, the Middle East and Europe will share five and the UK market will have eight.

Rolls has much to celebrate

A Silver Spur Centenary and rising sales

By Richard Feast
European Editor

General Motors does it every few working days. Rolls-Royce did it for the first time August 2. The British company built its 100,000th car, 81 years after entering the automobile business.

Milestones like that should not go unnoticed. Keys to a special Silver Spur Centenary model officially were handed over — amid much pomp at the Crewe, England, factory — to chief executive Richard Perry by the company's two oldest-serving employes, Margaret Green and Jack Goodwin. The work force of 3,800 watched and clapped.

The royal blue model will stand beside two other valuable properties — a 1904 10-horsepower, two-cylinder open tourer; and the company's original demonstrator, a 1907 Silver Ghost — in a new customer reception center planned for next year.

Over the next few weeks, 25 identical Centenary replicas will be delivered around the world. The U.S. will have 12, the Middle East and Europe will share five, and the UK market will receive eight. With a (UK) price of $109,000, it may be the most exclusive limited-edition car ever made.

Among the Centenary's distinctive features are inlaid monogrammed door-cappings, inlaid picnic tables, engraved door-sills, a commemorative plate in the glove box and matching spirit-flasks in the cocktail cabinet.

The interior is finished in champagne-colored hide, which is also used to trim the contrasting dark blue carpets. Each owner will receive a selection of silver trinkets including key ring and ballpoint pen.

Crewe has been the home of Rolls-Royce and Bentley since 1946. It has accounted for three-fourths of all Rolls production in a factory that at one time manufactured the famous Rolls-Royce Merlin aero engine.

Up to the start of World War II, the cars were made at plants in Derby and Manchester, England, and for 12 years in Springfield, Mass.

The 100,000 include all Bentleys built after Rolls-Royce bought the Bentley Motor Co. assets in 1931. Bentley — now being seriously promoted — was a victim of the Great Depression.

Rolls-Royce has had its ups and downs, including a spell in receivership from troubles caused by its aircraft-engine business in 1971. Following the setback, two separate companies were formed, and today's car-making business is in no way affiliated with the aircraft-engine maker of the same name.

Rolls-Royce Motors was floated as a separate company, later taken over by Vickers, a defense and engineering contractor.

The two companies were well known to each other: the Merlin-engined Spitfire fighter plane was a product of Vickers Supermarine.

The late 1970s were Rolls heydays. The Silver Shadow was in demand, and annual production reached 3,350 units in both 1978 and 1979. Even after Vickers took over in 1980, annual production and sales remained at about 3,100.

The world's second oil-shock did not hit Rolls-Royce until mid-1982. At that time, Rolls management seriously misread the car market and orders vanished. The crisis became evident in autumn 1982, sparking employment reductions and senior management shakeouts.

Production was slashed, dropping below 2,500 units in 1982 and 1,600 in 1983, half the planned level. That fall there was a five-week strike, the company's first in 23 years, and the state of Rolls-Royce caused great concern among Vickers shareholders.

By lowering costs and sales aspirations, Rolls-Royce began to turn around. U.S. demand recovered, an important element for a company that exports half its volume there.

Another break with the past came in mid-1984 when Dick Perry took over as chief executive, following George Fenn's decision to retire early.

Production volume jumped to 2,200 in 1984. In the first four months of 1985 it was up 16 percent, suggesting a full-year total of 2,500. But company officials warn it will be 1990 before output of the late '70s and early '80s is reached again.

Vickers is more relaxed about the auto company these days, Rolls-Royce having contributed the greatest part to the group's financial rise last year.

In 1984 Rolls-Royce earned 14 million pounds ($19.5 million) on sales of 149 million pounds ($208 million).

Polish Fiat deal

Pol-Mot, Poland's state car group, and Fiat Auto have signed a $50 million pact involving modernization of the Fiat 126P model and factory. Pol-Mot's FSM factory produces the 126 for sale in Comecon countries and by Fiat's Western European sales network.

world news briefs

The Citroen BX station wagon is known as the Break in France.

Citroen breaks out

A station wagon version of the Citroen BX is now on sale in Europe. The true benefits of Citroen's unique Hydropneumatic suspension, which automatically adjusts ride stiffness in respose to loadings, comes into its own in the wagon — or Break — as it is known in France.

Brazil's sales slip

Auto industry sales in Brazil were off 8.3 percent at 302,600 the first half of this year. The drop is attributed to the 53-day strike by auto workers from April to June.

Chinese want Mercedes

China will assemble 1,000 of the old-style mid-range Mercedes-Benz, Daimler-Benz chairman Werner Breitschwerdt said at the West Germany firm's annual meeting. No further details were forthcoming, although Daimler-Benz is discussing truck deals with the Chinese.

Tractors for sale

French company Renault wants to sell its loss-making agricultural operations. Fiat group, for one, says it is not interested.

Finding the moment

Officials of Seat are confident Volkswagen will take a 51 percent share in the Spanish company. On the other hand, VW, including chairman Carl Hahn, says unresolved financial negotiations must be completed.

More Jaguars

Jaguar production rose 17 percent the first half of 1985 to a record 20,195 units. Full-year output in Britain is now expected to be about 38,000.

Sunshine supercar

Driver Peter Bauer poses with the Mercedes-Benz Alpha-Real which won the 230-mile rally for solar-powered vehicles in Switzerland at the end of June. The 44-mph vehicle, constructed by Daimler-Benz apprentices at Unterturkheim, is topped by a solar generator with 432 cells. Specifications include all-independent suspension, a tubular chassis, plastic body shell and all-disc braking.

Who will buy Matra?

Matra, the French electronics and auto-making group which is 51 percent government-owned, is reportedly seeking a buyer for its car operations. Among names mentioned are General Motors and Toyota. The Renault Espace minivan is made by Matra, although there is no financial link with Renault.

Improvements in Germany

West Germany's auto outlook is improved following setbacks after last year's strike and recent uncertainty over vehicle-emission levels. VDA, the country's manufacturers association, says employment has increased by 22,000 the past 12 months.

Name change

Volkswagenwerk AG, West Germany, will change its name to Volkswagen AG, following a vote at the company's annual meeting in West Berlin.

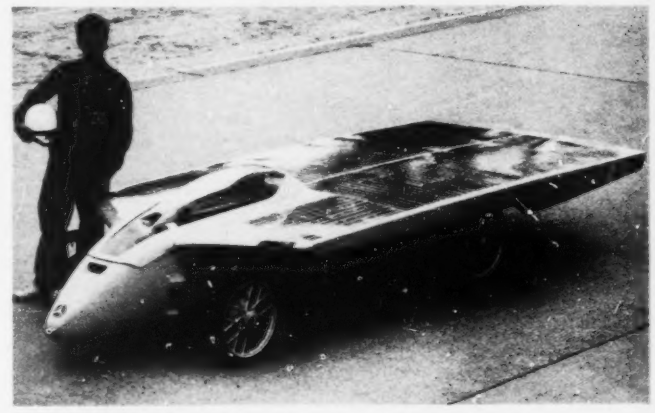
New Jaguar

A V12 version of the Jaguar XJS Cabriolet has been announced. Until now the British-made Cabriolet was available only with the six-cylinder AJ6.

4X4 forum

Britain's Institution of Mechancial Engineers is organizing an all-wheel-drive conference in London next March 5-6.

The BMW M3 cabriolet is destined for the U.S.



The Alpha-Real is topped by a solar generator with 432 cells.

Beefing up BMW

BMW will strengthen its 3-series lineup at September's Frankfurt auto show. Among the developments are a cabriolet (shown above), a diesel-powered version, a 325i to replace the 323i, and a sporty version known as M3. The M3 will be powered by a 200-hp four-cylinder engine derived from the Formula 1 powerplant. The cabriolet is destined for U.S. export, though no date has been set.

Fiat pulls out

Fiat has ceased truck manufacturing in Brazil. Fiat Caminhoes, a financial loss-maker the past five years, faced established competition in the heavy truck market from Daimler-Benz and Scania.

One million Sierras

Ford of Europe built its one millionth Sierra at Dagenham, England, July 9.

Trouble brewing

Hoover, which builds Sir Clive Sinclair's C5 electric vehicle at its South Wales factory, may sue Sir Clive over some $2 million worth of work already completed. The C5 has bombed, despite unprecedented publicity in the UK.

Iran contract resumes

Talbot, the United Kingdom arm of France's Peugeot group, will resume production of CKD kits for Iran in August. No kits have been shipped since last November because of payment delays. The vehicle involved is the Peykan, derived from the Hunter sedan and part of the Chrysler-Europe legacy.

Peugeot cash call

Peugeot group is making its first stock issue in more than 20 years. It is expected to raise more than $100 million, though major shareholders including Peugeot (34.5 percent), Michelin (9 percent) and Chrysler (15 percent) are not expected to subscribe.

Truck men confer

Bendix, Crane Fruehauf, Leyland Trucks and Renault Industrial Vehicles are joining the sponsor list at this year's European Transport Maintenance Council's annual conference in Strasbourg, December 1-4. Daf, Ford, Iveco, Volvo, Eaton, Bandag and Rockwell are sponsors.

Renault down

Renault's market share in France fell again in the first half of 1985 (30.0 percent from 31.8 percent), despite arrival of the new R5. The importers' share fell fractionally (to 34.7 percent), but Peugeot group increased from 33.2 to 35.3 percent. The Peugeot nameplate led the revival.

Besse

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felt ready to talk about his new job at Renault. And ready he was, commenting on the French auto industry, the American and Japanese industries — the companies, the people, the products — as easily as if he had spent a lifetime in the car business and knew all the moguls personally. His recovery (not plan) is reminiscent of what was successfully done at Fiat after 1980. That health cure was inspired by the Japanese.

Besse is comfortable with the Japanese, with whom he had good business relations previously. Japan was his best customer for nuclear waste treatment in La Hague.

Two months ago, Besse was in Japan to introduce his successor at Pechiney to some Japanese executives. He seized the opportunity to pay a visit to Nissan and Toyota. "We have friendly relations with Toyota," he says. Although Renault already buys some components from the Toyota group, Besse says there is no plan for any cooperation between the two in car components or manufacturing. But the Japanese business organization is interesting, he says, calling it "a true cultural revolution," and adding: "We'll have to do something in that department."

Besse reckons that by year 2000 the face of the car industry will be completely altered. There will be more cooperation, but it will be between healthy companies, he says. More joint-ventures will be made, involving components, between European manufacturers or with non-Europeans. "Why not with the Japanese?" he asks.

Besse has great admiration for the Japanese whom he knew when heading Cogema. He says that despite the communication problem, "We'll surely end up cooperating with them, but I don't know when."

He admits admiring General Motors, too: "Not only for the profit they made last year, but also for the kind of humility it takes from the world's number one auto maker to join with Toyota (in the NUMMI venture in the U.S.) and learn from the Japanese."

Besse has paid only one, quick visit to Detroit, for an American Motors board meeting, since he took over Renault. He doesn't speak English fluently.

Is he a workaholic? "I work too much," he confesses. He travels to his office behind the wheel of a new black Renault 5, arriving at 7:30 a.m. and leaving at 8 p.m. He takes files home to read at night, while glancing occasionally at the television screen. In the office, he dispatches countless brief notes to his staff, handwritten with a pencil and authenticated by a big stamp reading, "Georges Besse."

Not much is known about Besse's private life. He has an apartment in the center of Paris and a country house in the pastoral province of Touraine where he grows roses and spends weekends with his wife and five children (two boys and three girls). He is interested in a range of subjects including history, geography and architecture, from Gothic cathedrals in which he sees testimony of a formidable impetus of faith to the modern buildings of Niemeyer.

In an interview with Le Matin Magazine six years ago, Besse said, "A city like New York, where I wouldn't like to live, is beautiful."

While building the nuclear plants of Pierrelatte and Tricastin, Besse hired an architect so that the engineering job wouldn't look like a giant shoe box.

According to a profile published in Le Nouvel Observateur, his friends say, "This man is a builder."

Volkswagen

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most important European export market.

The UK added 4,300 to take VW to 49,400, while France added 5,300 to reach 46,600. Led by the Italian performance, these gains offset VW's decline in Germany. Overall, VW-Audi sales in Europe increased 3.5 percent compared with an industry decline of 1.8 percent.

The main element behind VW's success was Golf, now being built at a rate of 2,000 a day in Wolfsburg and 700 a day in Brussels. Demand for the model prompted VW to add 4,900 workers and extra shifts.

The series 2 Golf, launched in late-summer 1983, has always been in short supply, a situation heightened by last year's six-week metalworkers strike in Germany. This scenario contrasts with Golf sales in the U.S. where its reception has been lukewarm.

Pouring VWs and Audis into export markets, while German market prospects looked grim, has enabled the group to maintain high production levels. Carl Hahn, VW chairman, told shareholders in West Berlin that capacity likely will be fully utilized to the end of the year.

Last year's profitable VW operation (DM 228 million/$77 million) continued into the first six months of this year, Hahn said. The half-year figure was around DM 280 million/$95 million on revenue that rose 20 percent to DM 27 billion/$9.15 billion.

— Richard Feast

Report card

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has gone on record as saying he will quit if his group does not make a profit this year. BL of Britain and Italy's Alfa Romeo, both state-owned, are still in the red, but claim that things are getting better.

The contrast between the volume producers and the smaller-output "image" companies could not be more marked. They are all doing quite well in Europe as a whole, but there is little doubt that the key to their success is exporting cars to the U.S.

The VW group, including Audi, was the largest last year in terms of production and sales revenue. At more than $15 billion, it ranks as about the 10th largest group in any industry in Europe. Daimler-Benz was close behind, followed by Renault and Fiat.

The best net income was earned by Volvo group, followed by Fiat and Daimler-Benz. In relative terms, Jaguar's return was as good as any in the business.

The accompanying table, based on 1984 showings, provides a general impression of the health of European-based auto makers. It should be pointed out that the groups report at different times and in many currencies, so converting the results to dollars at a given time can only be a guide. The statistics refer to group operations rather than parent companies, except in the cases of Fiat and General Motors.

Automotive World News

Production overseas

JAPAN

	4 mos., 1985	4 mos., 1984
Cars		
Daihatsu	56,580	57,619
Fuji	78,788	83,696
Honda	312,897	283,928
Isuzu	57,906	25,249
Mazda	267,781	256,976
Mitsubishi	173,411	162,257
Nissan	629,734	632,554
Suzuki	68,062	50,902
Toyota	852,369	806,332
Total	2,497,528	2,359,513
Vans, trucks, buses		
Daihatsu	143,772	128,368
Fuji	103,140	94,295
Hino	19,978	20,124
Honda	57,033	50,217
Isuzu	114,712	102,992
Mazda	123,257	125,948
Mitsubishi	187,280	172,917
Nissan	233,797	217,990
Nissan Diesel	12,042	13,040
Suzuki	165,149	167,122
Toyota	385,747	334,255
Others	139	267
Total	1,546,046	1,427,535
Total vehicles	4,043,574	3,787,048

BRAZIL

	4 mos., 1985	4 mos., 1984
Cars		
Farus	0	13
Fiat Auto	32,469	28,746
Ford	49,772	46,853
General Motors	53,424	49,296
Gurgel	10	21
Puma	0	48
Sta Matilde	25	19
Toyota	0	53
Volkswagen	80,811	91,981
Total	216,511	217,030
Vans, trucks, buses		
Agrale	246	152
Fiat Auto	10,459	8,697
Fiat Cam.	98	168
Ford	12,860	12,073
General Motors	5,14	6,815
Gurgel	381	299
Mercedes-Benz	10,043	8,730
Puma	0	9
Scania	1,043	998
Toyota	765	925
Volkswagen	13,854	5,337
Volv	912	582
Total	55,803	44,785
Total vehicles	272,314	261,815

UNITED KINGDOM

	4 mos., 1985	4 mos., 1985
Cars		
BL	177,058	138,76
Austin Rover	172,281	135,261
Range Rover	4,77	3,506
Carbodies	660	567
Ford	107,967	116,300
Jaguar	13,620	11,698
Lotus	300	303
Panther	33	121
Reliant	235	41
Rolls-Royce	769	661
Talbot	23,167	36,546
TVR	134	106
Vauxhall	56,737	45,038
Others	214	222
Total	380,894	350,370
Vans, trucks, buses		
Bedford	20,385	20,046
BL	31,131	26,742
Austin Rover	9,13	7,437
Freight Rover	6,89	6,175
Land Rover	10,004	8,918
Leyland Veh.	5,10	4,212
ERF	725	560
Foden	195	271
Ford	37,150	39,237
Hestair Dennis	283	323
MCW	165	152
Relaint	33	96
Renault	1,859	1,362
Seddon Atkinson	570	599
Others	79	97
Total	92,575	89,485
Total vehicles	473,469	439,855

SPAIN

	4 mos., 1985	4 mos., 1984
Cars		
Ford	87,772	90,308
General Motors	95,732	76,143
Peugeot SA	55,139	59,806
Citroen	23,993	32,207
Talbot	31,146	27,599
Renault	81,656	88,778
Seat	111,032	62,688
Total	431,331	377,723
Vans, trucks, buses		
Enasa	3,024	3,378
Ford	4,054	2,948
Land Rover	6,65	3,604
Mercedes-Benz	3,424	4,201
Motor Iberica	8,69	6,545
PSA-Citroen	18,44	5,601
Renault	9,466	11,082
Seat	8,599	8,584
Setra	82	77
Total	62,384	46,020
Total vehicles	493,715	423,743

FRANCE

	5 mos., 1985	5 mos., 1984
Cars		
Peugeot SA	542,233	556,720
Citroen	201,123	206,370
Peugeot	324,651	310,123
Talbot	16,369	40,227
Renault	589,351	665,925
Total	1,131,584	1,222,645
Vans, trucks, buses		
CBM	24	17
Iveco-Unic	48	2,848
Peugeot SA	70,386	50,430
Citroen	31,779	12,305
Peugeot	34,495	31,990
Talbot	4,11	6,135
Renault	101,517	101,746
Sovam	40	23
Total	172,015	155,064
Total vehicles	1,303,599	1,377,709

Registrations overseas

UNITED KINGDOM

	6 mos., 1985	6 mos., 1984
Cars		
Alfa Romeo	1,670	2,253
BL	170,262	168,828
Austin Rover	168,617	167,439
Range Rover	1,64	1,389
BMW	17,798	13,675
Daihatsu	2,079	2,840
Fiat Auto	29,219	25,123
Ford	246,973	270,332
FSO	3,05	2,387
GM-Vauxhall	163,154	166,251
Honda	8,406	8,808
Hyundai	2,30	1,851
Jaguar	4,161	3,922
Lada	6,62	7,755
Lotus	304	268
Mazda	7,526	8,490
Mercedes-Benz	9,669	8,336
Mitsubishi	6,448	4,996
Nissan	46,368	45,539
Panther	39	127
Peugeot SA	53,183	51,900
Citroen	13,519	14,647
Peugeot/Talbot	39,664	37,253
Reliant	283	66
Renault	39,420	30,943
Rolls-Royce	366	333
Saab	4,281	4,770
Skoda	4,58	5,657
Subaru	1,42	1,263
Suzuki	2,09	1,654
Toyota	16,433	14,930
VW-Audi Group	57,439	54,301
Audi	10,893	11,083
Volkswagen	46,546	43,218
Volvo	31,683	30,780
Zastava	3,967	2,803
Others	2,418	2,679
Total	943,636	943,868

SWEDEN

	6 mos., 1985	6 mos., 1984
Cars		
Alfa Romeo	726	557
BMW	2,449	2,352
Daihatsu	723	482
Fiat Auto	3,772	3,127
Ford	17,048	13,486
GM-Opel	16,200	11,942
Honda	2,223	1,814
Lada	785	799
Mazda	6,129	5,553
Mercedes-Benz	5,359	3,058
Mitsubishi	1,361	783
Nissan	4,822	3,371
Peugeot SA	4,071	3,932
Citroen	1,796	1,896
Peugeot/Talbot	2,275	2,036
Porsche	247	182
Renault	1,11	1,276
Saab	15,596	15,400
Skoda	214	165
Subaru	857	325
Suzuki	342	1
Toyota	5,774	4,393
VW-Audi Group	18,081	14,117
Audi	6,528	3,411
Volkswagen	11,553	10,706
Volvo	38,682	31,881
Others	40	26
Total	146,616	119,022

WEST GERMANY

	5 mos., 1985	5 mos., 1984
Cars		
Alfa Romeo	3,812	6,227
Austin Rover	3,206	3,716
Bertone	192	404
BMW	64,792	83,397
Daihatsu	3,266	2,978
Fiat Auto	48,504	52,226
Ford	103,423	146,757
GM-Opel	167,637	212,319
Honda	15,468	18,990
Isuzu	1,621	1,184
Jaguar	1,076	739
Lada	3,844	4,279
Mazda	31,562	31,673
Mercedes-Benz	119,996	113,740
Mitsubishi	20,120	20,572
Nissan	26,901	28,644
Peugeot SA	43,355	48,253
Citroen	17,301	19,240
Peugeot/Talbot	26,054	29,013
Pininfarina	547	295
Porsche	5,69	6,323
Renault	38,159	42,368
Saab	1,317	1,823
Seat	1,560	2,072
Skoda	936	1,031
Subaru	4,644	2,900
Suzuki	8,112	6,497
Toyota	17,184	23,596
VW-Audi Group	302,594	337,462
Audi	60,884	73,431
Volkswagen	241,710	264,031
Volvo	6,121	7,436
Others	948	519
Total	1,056,590	1,208,420

AUSTRIA

	5 mos., 1985	5 mos., 1984
Cars		
Alfa Romeo	1,08	1,283
BMW	3,513	4,371
Daihatsu	286	341
Fiat Auto	6,421	7,926
Ford	10,877	10,803
GM-Opel	15,850	14,141
Honda	2,138	2,122
Lada	698	654
Mazda	10,141	9,898
Mercedes-Benz	4,092	3,273
Mitsubishi	2,388	1,954
Nissan	5,701	4,735
Peugeot SA	7,414	7,409
Citroen	3,302	3,213
Peugeot/Talbot	4,112	4,196
Porsche	216	282
Renault	5,327	5,091
Saab	152	211
Seat	437	408
Skoda	493	377
Subaru	1,561	880
Suzuki	670	512
Toyota	5,210	4,453
VW-Audi Group	22,120	19,675
Audi	4,862	3,823
Volkswagen	17,258	15,852
Volvo	1,591	1,739
Others	231	159
Total	108,609	102,697

DENMARK

	5 mos., 1985	5 mos., 1984
Cars		
Alfa Romeo	50	158
Austin Rover	166	236
BMW	1,513	1,378
Dacia	387	450
Daihatsu	1,093	625
Fiat Auto	3,644	3,739
Ford	11,231	11,146
FSO	929	398
GM-Opel	12,538	10,312
Honda	771	655
Jaguar	10	20
Lada	1,664	2,033
Mazda	5,931	6,243
Mercedes-Benz	483	404
Mitsubishi	1,208	641
Nissan	3,177	3,538
Peugeot SA	4,102	4,599
Citroen	2,663	2,936
Peugeot/Talbot	1,439	1,663
Renault	565	294
Saab	784	856
Seat	106	0
Skoda	1,961	3,994
Subaru	26	58
Suzuki	221	15
Toyota	8,474	6,876
Trabant	19	38
VW-Audi Group	5,114	4,697
Audi	363	342
Volkswagen	4,751	4,355
Volvo	2,859	2,860
Wartburg	592	528
Zastava	750	323
Total	70,374	67,513

ITALY

	4 mos., 1985	4 mos., 1984
Cars		
Alfa Romeo	44,654	48,935
Austin Rover	6,417	7,832
BMW	8,733	11,690
Fiat Auto	347,270	347,312
Fiat	288,386	293,698
Lancia/ Autobianchi	58,884	53,614
Ford	28,943	25,421
GM-Opel	20,752	23,730
Innocenti	5,556	7,659
Mercedes-Benz	7,323	5,292
Peugeot SA	46,897	43,234
Citroen	26,585	24,227
Peugeot/Talbot	20,312	19,007
Renault	68,733	59,800
Seat	12,369	7,448
VW-Audi Group	46,157	29,409
Audi	6,661	6,124
Volkswagen	39,496	23,285
Volvo	7,439	7,693
Others	6,582	5,412
Total	657,825	630,867

SWITZERLAND

	4 mos., 1985	4 mos., 1984
Cars		
Alfa Romeo	2,443	2,790
AMC	52	65
Austin Rover	856	917
Bertone	50	79
BMW	3,921	5,147
Daihatsu	386	356
Ferrari	58	63
Fiat Auto	7,349	8,306
Ford	6,768	7,004
GM-Opel	13,885	14,835
Honda	2,965	3,205
Innocenti	54	27
Isuzu	138	231
Jaguar	169	171
Maserati/	64	136
Mazda	2,970	3,356
Mercedes-Benz	2,286	2,532
Mitsubishi	2,791	3,166
Nissan	3,130	3,187
Peugeot SA	8,010	9,185
Citroen	3,144	4,185
Peugeot/Talbot	4,866	5,000
Pininfarina	60	79
Porsche	488	660
Puch	39	36
Renault	6,191	5,463
Rolls-Royce	22	20
Saab	388	492
Seat	300	0
Skoda	43	48
Subaru	4,029	2,440
Suzuki	1,243	1,271
Toyota	5,610	6,959
VW-Audi Group	15,246	15,233
Audi	5,420	3,926
Volkswagen	9,826	11,307
Volvo	1707	2,352
Others	23	28
Total	93,745	99,839

FRANCE

	3 mos., 1985	3 mos., 1984
Cars		
Alfa Romeo	4,200	5,503
Aro	164	307
Austin Rover	4,999	7,289
BMW	6,304	8,591
Ferrari	34	19
Fiat Auto	20,824	25,664
Ford	34,478	35,291
FSO	451	443
GM-Opel	21,089	17,883
Honda	1,35	1,410
Innocenti	274	362
Jaguar	56	47
Lada	5,056	6,013
Maserati	2	2
Mazda	3,409	2,198
Mercedes-Benz	4,126	4,814
Mitsubishi	821	858
Nissan	3,335	3,105
Peugeot SA	152,591	149,847
Citroen	56,165	60,823
Peugeot	90,304	77,035
Talbot	6,122	11,989
Porsche	257	391
Renault	136,721	145,515
Saab	362	267
Seat	4,308	2,675
Skoda	698	891
Toyota	2,389	2,460
VW-Audi Group	25,956	22,387
Audi	6,466	6,208
Volkswagen	19,490	16,179
Volvo	4,547	3,819
Zastava	326	325
Others	21	10
Total	438,899	446,868

THE NETHERLANDS

	3 mos., 1985	3 mos., 1984
Cars		
Alfa Romeo	1,338	1,655
Austin Rover	1,466	2,217
BMW	4,48	5,356
Dacia	24	1
Daihatsu	1,194	1,515
Fiat Auto	9,560	12,383
Ford	19,702	19,407
FSO	49	25
GM-Opel	31,893	27,969
Honda	3,157	4,613
Hyundai	552	684
Jaguar	104	123
Lada	2,134	1,920
Mazda	5,007	5,909
Mercedes-Benz	3,773	3,240
Mitsubishi	4,171	3,859
Nissan	7,543	7,071
Peugeot SA	15,437	17,214
Citroen	7,476	7,281
Peugeot/Talbot	7,961	9,933
Porsche	77	74
Renault	10,899	9,721
Saab	877	1,164
Seat	1,905	1,338
Skoda	639	694
Subaru	972	919
Suzuki	3,361	3,069
Toyota	7,140	5,864
VW-Audi Group	13,935	15,971
Volvo	8,812	7,979
Zastava	201	351
Total	160,554	162,338

JAPAN

	4 mos., 1985	4 mos., 1984
Cars		
Daihatsu	39,146	41,907
Fuji	28,048	30,808
Honda	94,057	84,780
Isuzu	12,820	17,128
Mazda	70,242	80,504
Mitsubishi	63,597	72,468
Nissan	291,625	301,094
Suzuki	27,357	27,773
Toyota	478,531	455,764
Imports (all)	15,681	12,436
Total	1,121,104	1,124,762
Vans, trucks, buses		
Daihatsu	123,706	106,841
Fuji	79,036	73,746
Hino	14,369	15,032
Honda	46,302	48,554
Isuzu	46,386	46,393
Mazda	56,030	56,763
Nissan	98,062	99,882
Nissan Diesel	7,188	7,829
Suzuki	138,491	126,709
Toyota	123,882	123,471
Imports (all)	43	51
Total	860,760	816,214
Total vehicles	1,981,864	1,940,976

LOF part of joint venture

To produce auto glass in South Korea

TOKYO.—Three major sheet-glass makers from the U.S., Japan and South Korea are forming a joint venture in South Korea to produce glass for automobiles. Production is to start next year.

The new firm will involve LOF Glass, a unit of Libbey-Owens-Ford Co., Toledo; Nippon Sheet Glass Co., Osska, and Hankuk Glass Industry Co. (HGI), Seoul. The forming of the joint venture is subject to approval by each company's board of directors.

Production capacity of a new integrated plant to be built in a suburb of Seoul will be about 800,000 sets of automotive glass annually, according to LOF.

The joint venture will be capitalized at approximately $43 million, of which HGI will have 40 percent ownership, and LOF and Nippon Sheet Glass 30 percent each.

Observers here say the venture is in anticipation of an increase in South Korean auto production when the South Korean Government abolishes legislation on the type of vehicles produced by South Korean manufacturers in 1987.

Seven U.S., Japanese and South Korean auto makers already have plans to produce some 600,000 to 700,000 small cars in South Korea in the next few years.

Mazda Motor Co. recently announced that it will join Kia Industrial Co., of South Korea, to build a small car that will be marketed by Ford Motor Co. in the U.S. sometime in 1988.

Mitsubishi Motors Corp., Tokyo, and Hyundai Motor Co., of South Korea, which have been doing business for some time, recently announced another cooperative effort to build the redesigned Mitsubishi Debonair luxury car. General Motors and South Korea's Daewoo Motor Co. will start full-scale production of a small car in 1987.

Toyota drops

Exports to China

TOYOTA CITY, Japan.—Toyota Motor Corp. expects its exports to China, which have been on the decline since May, to continue at a subdued monthly rate of 1,000 units until at least next June.

Toyota's exports to China, mainly trucks, had been averaging 10,000 units a month since late last year. The January total amounted to 64,035 units, a 17-fold increase over the similar 1984 period.

factories list auction dates

American Motors

Aug. 6—D-A Auto Auction, New Stanton, Pa.; Arena Auto Auction, Chicago, and High Point Auto Auction, High Point, N.C.

Aug. 7—Columbus Fair Auto Auction, Obetz, O.; Central States Auto Auction, Mason City, Ia., and Mid-States Auto Auction, South Bend.

Aug. 8—Todd Auto Auction, Telford, Pa.; Evansville Auto Auction, Evansville, Ind.; Minneapolis Northstar Auto Auction, Shakopee, Minn., and Corry Auto Auction, Corry, Pa.

Aug. 13—Aptco Auto Auction, Taylor, Mich.

Aug. 14—Kansas City Auto Auction, Kansas City; Mid-States Auto Auction, South Bend; Metro Milwaukee Auto Auction, Caledonia, Wis., and Southern Auto Auction, Warehouse Point, Conn.

Aug. 15—Evansville Auto Auction, Evansville, Ind.; Northway Exchange, Clifton Park, N.Y., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Aug. 16—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Aug. 20—D-A Auto Auction, New Stanton, Pa.; Arena Auto Auction, Chicago, and High Point Auto Auction, High Point, N.C.

Aug. 21—Columbus Fair Auto Auction, Obetz, O.; Central States Auto Auction, Mason City, Ia., and Mid-States Auto Auction, South Bend.

Aug. 22—Todd Auto Auction, Telford, Pa.; Evansville Auto Auction, Evansville, Ind.; Minneapolis Northstar Auto Auction, Shakopee, Minn., and Corry Auto Auction, Corry, Pa.

Aug. 27—Aptco Auto Auction, Taylor, Mich.

Aug. 28—Kansas City Auto Auction, Kansas City; Mid-States Auto Auction, South Bend, and Metro Milwaukee Auto Auction, Caledonia, Wis.

Aug. 29—Evansville Auto Auction, Evansville, Ind.; Northway Exchange, Clifton Park, N.Y., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Chrysler Corp.

Aug. 6—Hatfield Auto Auction, Hatfield, Pa.; Aptco Auto Auction, Taylor, Mich., and NuCarPrep System, Santa Fe Springs, Calif.

Aug. 7—Butler Auto Auction, Gibsonia, Pa.; Sand Mountain Auto Auction, Boaz, Ala., and Minneapolis Auto Auction, Plymouth, Minn.

Aug. 8—Clanton's Auto Auction, Darlington, S.C., and Indianapolis Auto Auction, Indianapolis.

Aug. 9—Concord Auto Auction, Acton, Mass., and Floyd Hauhe Auto Auction, Bridgeton, Mo.

Aug. 13—Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Florida Auto Auction of Orlando, Ocoee, Fla.

Aug. 14—Columbus Fair Auto Auction, Obetz, O.; Southern Auto Auction, Warehouse Point, Conn., and South Seattle Auto Auction, Kent, Wash.

Aug. 15—Fredericksburg Auto Auction, Fredericksburg, Va., and Atlanta Auto Auction, Red Oak, Ga.

Ford Motor Co.

Aug. 6—Harrisonburg Auto Auction, Harrisonburg, Va.

Aug. 7—Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Golden Gate Auto Auction, Fremont, Calif.

Aug. 14—Columbus Fair Auto Auction, Obetz, O., and Concord Auto Auction, Acton, Mass.

Aug. 15—Arena Auto Auction, Chicago, and Dallas Auto Auction, Dallas.

Aug. 21—Lakeland Auto Auction, Lakeland, Fla., and Brasher's Southern California Auto Auction, Fontana, Calif.

Aug. 22—Aptco Auto Auction, Taylor, Mich.; 166 Auto Auction, Springfield, Mo., and Skyline Auto Exchange, Fairfield, N.J.

Aug. 28—Clanton's Auto Auction, Darlington, S.C.

Aug. 29—Floyd Hauhe Auto Auction, Bridgeton, Mo.

General Motors

Aug. 6—Dallas Auto Auction, Dallas.

Aug. 7—Golden Gate Auto Auction, Fremont, Calif., and Hatfield Auto Auction, Hatfield, Pa.

Aug. 8—Aptco Auto Auction, Detroit, and Floyd Hauhe Auto Auction, Bridgeton, Mo.

Aug. 13—Denver Auto Auction, Englewood, Colo., and Florida Auto Auction of Orlando, Orlando.

Aug. 14—Northstar Auto Auction, Shakopee, Minn., and Brasher's Auto Auction, Fontana, Calif.

Aug. 15—Nashville Auto Auction, Nashville; Big H Auto Auction, Houston, and Ohio Auto Auction, Grove City, O.

Aug. 20—Southern Auto Auction, E. Windsor, Conn.; South Seattle Auto Auction, Kent, Wash., and 166 Auto Auction, Springfield, Mo.

Aug. 21—Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis, and Hatfield Auto Auction, Hatfield, Pa.

Aug. 22—Southwest Auto Auction, Phoenix.

Aug. 28—Brasher's Salt Lake Auto Auction, Salt Lake City, and Metro Auto Auction, Kansas City.

Aug. 29—Butler Auto Auction, Gibsonia, Pa., and Arena Auto Auction, Chicago.

25th marked

Ed Kirby and Herb Adcox of Adcox-Kirby Chevrolet, Chattanooga, receive Chevrolet's 25-Year Dealer award plaque. Shown from left are: O.K. Lebron, Chevrolet sales manager-East; Kirby; Adcox; T.R. Mason, regional manager, and R.W. Emerick Jr., zone manager.

Wisconsin attorney general slaps FTC-GM settlement

Continued from Page 17

kee reovered 79 percent, those in Dallas 52 percent.)

Another question will be why 17 percent of even the completed cases for the first 10 months of the program took more than 60 days to complete when the settlement agreement called for all settlements to be completed within 60 days of first contact.

A spokesperson for the FTC, noting that the allegations were nothing new, said the FTC intends to review its analysis carefully and that "we think our numbers are an understatement of what is actually happening in the field. We think our numbers are very impressive."

Dean Determan, head of the nationwide BBB arbitration program, said LaFollette was mistaken when he said the BBB was understaffed. "We are taking an average of 39 days to dispose of cases," he said. "Consumers are getting speedy responses.

"Nationwide we have 350 full-time people on this and at least 700 part-time.

"And contrary to Mr. LaFollette's assertions, we do have circuit riders to cover the outlying regions of his state," Determan added.

"There has been some legitimate criticism of this consent order, but tens of thousands of consumers are getting relief they never thought they would get," he said. "This order has had a much greater impact than expected."

Determan said also that Milwaukee and some of the other Northern states may have had higher complaint and settlement ratios because cars there operate in ice and snow conditions, conditions that are much harder on automatic transmissions.

In Detroit, a GM spokesman said the company continues to agree with the FTC that the program is an overall success.

"We did have some early problems in Wisconsin, but those were addressed by us and the BBB," he said. In any program of this magnitude, you can always point to some horror stories, but we maintain it is working very well overall."

Meanwhile, the Center for Auto Safety has issued a report on the GM-BBB arbitration program. Its author, Evan Johnson, concluded that it is "grossly inadequate" in addressing the losses consumers have suffered from failures of GM powertrain components.

According to Johnson, the program suffers from: A lack of notice to consumers, no national toll-free referral line, frequent delays in processing claims caused by completely inadequate BBB staffing and confusion within the BBB about the criteria to be used in accepting and handling claims.

He said there have been abuses by GM, mistakes and abuses by local BBBs and mistakes by BBB national headquarters. Finally, he criticized what he called the FTC's "complete cave-in" to GM on the issue of when the 60-day clock begins to run on the settlement limit.

Capitol Hill sources indicate that Rep. James Florio, New Jersey Democrat and chairman of the House subcommittee that has oversight responsibility for the FTC, may be the next to look into the controversy surrounding the settlement.

Used Car Sales
Auction Averages

July 1985	$5,327
Month ago	$5,268
Year ago	$5,226

Model Breakdown
Auction Averages

	AUGUST, 1985	JULY, 1985	JUNE, 1985
1985	$12,535	$10,804	$11,181
1984	$8,581	$7,727	$8,061
1983	$5,904	$5,971	$6,306
1982	$5,458	$5,326	$5,544
1981	$4,757	$4,141	$4,536
1980	$3,434	$3,245	$3,528
1979	$2,960	$2,590	$2,953
1978	$2,121	$2,139	$2,114
Overall Average	$5,327	$4,815	$5,296

Court slaps parts franchisor after complaint by FTC

By Jake Kelderman
Washington Reporter

WASHINGTON.—Royco Automobile Parts, Inc., an auto tuneup parts franchise operation based in Jacksonville, Fla., and its president, Robert W. Sowerby, have been ordered to pay $567,000 in consumer redress and another $400,000 in civil penalties for misrepresenting facts and making false claims about the earnings potential of the franchise.

The U.S. District Court for the Middle District of Florida handed down the order in the wake of charges brought against the firm by the FTC in 1983 and the subsequent filing of a suit by the Justice Department.

In February, 1984, the court granted a peliminary injunction in the case, freezing the firm's assets.

According to the FTC, persons who invested in Royco Automobile Parts franchises lost an average of $14,000 each—some lost more than $50,000—because of false promises by the company and its president.

The FTC said Royco had promised that investors could receive a return on their investment of as much as 300 percent annually and that there was no risk because the company would reimburse unsuccessful distributors.

But, the FTC said, few if any buyers obtained such returns and many lost all they had invested because the company refused to make the promised reimbursements.

In newspaper ads throughout the country, Royco had promised earnings of as high as $150,000 per year full-time or $50,000 per year part-time from a $14,000 inventory investment.

The FTC said the firm also paid individuals to pose as successful Royco franchisees when, in fact, they were either not Royco franchisees or were not succesful.

The court order requires Royco to provide a list of all former and present Royco franchisees, including addresses and phone numbers, and an accounting of all assets Royco now holds or has transferred or sold since Jan. 1, 1983.

The order permanently bars Royco from making any specific claims about its franchise unless the company can substantiate the claims.

It also requires Royco, Sowerby and anyone in business with them to post a bond of at least $500,000 to cover any violations of the permanent injunction or losses by purchasers if they sell business ventures or franchises in the future.

Sowerby is no longer selling franchises through the corporate name Royco.

The FTC said that any buyers of Royco franchises who believe they may be entitled to compensation should send their names and addresses to Barbara Schanker, FTC Atlanta Regional Office, 1718 Peachtree St. N.W., Atlanta, Ga., 30367.

Austin Rover Cars begins dealer selection process

MIAMI.—Austin Rover Cars of North America is traveling to dealerships throughout the country this month to select approximately 100 to sell its new "executive automobile," codenamed Project XX, which it will bring here in the 1987 model year.

"Austin Rover Cars has designed this phase of its dealer selection process to provide the most thorough and equitable dealer application review possible," said Raymond Ketchledge, president.

Dealer applicants will be interviewed at their places of business, he said. The interviews will begin in the West and Southwest, followed in rapid succession by other markets.

The dealer selection trips will be directed by John E. Connelly, general sales manager. They are expected to be completed in late September when letters of intent will begin to be issued to selected dealers.

Ketchledge said Austin Rover Cars has received more than 425 dealer applications, or more than four applications for every available dealership. Austin Rover Cars had to go into a second printing of its dealer application kit to accommodate requests.

Charlesworth named

ATLANTA.—Jack G. Charlesworth has been named to the newly created position of director of fleet program development for Manheim Auctions, Inc.

Signing to succeed his father

Walter J. Miller III signs for Miller Cadillac, Inc., Mt. Pleasant, S.C. Witnessing, from left, are: Walter J. Miller Jr., the new dealer's father and chairman of the board, Miller Cadillac; Donald P. Tinsley, Cadillac's Atlanta district manager, and Sumter F. deBrux, secretary-treasurer, Miller Cadillac.

115 outlets lost; midyear count is 20,787

U.S. dealer total dips in first half

Continued from Page 1

the light of the not-too-distant past.

In 1980, when the recession was wrapping its tentacles around the auto industry, 930 domestic dealerships faded away in the first half. The decimation was reduced to 325 in 1981, but it climbed back to 556 in 1982.

Then came a slip of only 76 in 1983 (which was countered by a fine second half) and a gain of 54 last year.

Going back a bit farther, 1979 (which was a mighty good year for domestic cars) saw a loss of 133 dealerships in the first half. And in 1978 (which was even better for sales), the dip was 79.

In franchise totals, five makes were up for the first half; seven were down, and two were unchanged.

All three Chrysler Corp. makes were on the plus side. Dodge added 18 outlets; Plymouth, 16, and Chrysler, 15.

Ford Motor Co. had two out of three in the black. Lincoln and Mercury added 16 franchises apiece, and Ford was down 24.

At GM, Cadillac and Oldsmobile were unchanged for the half, and there were dips of 20 for Chevrolet, 10 for Buick and five for Pontiac.

AMC had 17 fewer franchises than on Jan. 1; Renault was off 16, and Volkswagen was down 15.

Chrysler Corp. opened 1985 with 3,988 car dealers. It added one in the first quarter and five in the second for a midyear total of 3,994.

The gains weren't as impressive as last year's quarterly hikes of 30 and 61, but Chrysler was the only domestic maker to increase its dealer body this year. The company's total has risen for 11 consecutive quarters, a period that has added 365 outlets to the company's ranks.

At midyear, Chrysler was just a step away from 4,000, a total it has not achieved since the second quarter of 1980.

Franchise figures on July 1 were Chrysler, 3,038; Plymouth, 2,996, and Dodge, 2,911.

In addition to its 3,994 car dealerships, Chrysler has five that handle only Dodge trucks. They are not included in the corporation's car-dealership total or in the Dodge car-franchise total.

Ford Motor Co. was steady in the first half with a dip of 11 outlets in the first quarter and nine in the second. The company had 5,544 car dealerships on July 1, down from 5,564 on Jan. 1.

This year's quarterly dips compared with increases of seven and four locations in the first half of 1984.

The midyear franchise totals were Ford, 4,708; Mercury, 2,754, and Lincoln, 1,594. Lincoln is edging ever closer to Cadillac, which has 1,610.

Ford Motor Co. has 115 dealerships that handle only Ford heavy-duty trucks. They are not included in the company's car-dealership total or in Ford Division's car-franchise total.

At GM, the July 1 car-outlet figure was 9,910, down from 9,965 at the beginning of this year. There were dips of 20 in the first quarter and 35 in the second. In 1984, GM was down 10 in each of the first two quarters.

Midyear franchise counts were Chevrolet, 5,100; Oldsmobile, 3,200; Pontiac, 3,005; Buick, 2,965, and Cadillac, 1,610.

AMC-Renault had 1,439 car dealerships on July 1, a slip of 26 from 1,465 as the year began. There were quarterly dips of 3 and 23. A year ago, the total declined 15 in the first quarter and 13 in the second.

Franchise totals on July 1 were AMC, 1,380; Renault, 1,325.

Of the 1,439 dealerships, 1,266 handle both AMC and Renault cars. There are 739 AMC duals with Big Three makes of cars, and Renault is involved in 90 percent of them. Half of the 70 AMC-Volkswagen stores also have Renault.

Volkswagen opened the year with 899 dealerships and slipped to 884 on July 1. The total was down five in the first quarter and 10 in the second. Last year, the quarterly drops were six and four.

VW has an estimated 150 duals with the Big Three and/or AMC, about the same as at the beginning of this year.

The latest count of 20,787 domestic-car dealerships is down 108 from the 20,895 doing business on July 1, 1984. Chrysler and Ford are up; GM, AMC-Renault and VW are down.

The year-to-year comparison shows gains of 39 outlets for Chrysler and 25 for Ford. There were declines of 110 for GM, 59 for AMC-Renault and 12 for VW. A change in the number of intercorporate duals resulted in a net dip of 108 for the domestic industry.

U.S. FRANCHISES

	July 1, 1985	Jan. 1, 1985
AMERICAN MOTORS-RENAULT		
AMC	1,380	1,397
Renault	1,325	1,431
CHRYSLER CORP.		
Chrysler	3,038	3,023
Dodge	2,911	2,893
Plymouth	2,996	2,980
FORD MOTOR CO.		
Ford	4,708	4,732
Lincoln	1,594	1,578
Mercury	2,754	2,738
GENERAL MOTORS		
Buick	2,965	2,975
Cadillac	1,610	1,610
Chevrolet	5,100	5,120
Oldsmobile	3,200	3,200
Pontiac	3,005	3,010
VOLKSWAGEN	884	899

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Park-to-Reverse hassle is still active

Steed called negligent in Ford case

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had product liability claims of $1.6 billion from alleged Park-to-Reverse accidents.

After the Wirth hearing, Helen O. Petrauskas, Ford environmental and safety engineering vice president, gave her reading of events: "The facts presented at today's hearing affirmed the correctness of NHTSA's decision not to reopen this investigation.

"The testimony again supported the conclusion that NHTSA has thoroughly investigated, that no mechanical defect exists in Ford automatic transmissions and that driverless vehicle accidents can and do occur with all makes of cars and light trucks."

The current brouhaha occurs because a still incomplete report by GAO found that instead of the death rate decreasing after Ford's warning letters and labels to owners—as NHTSA has claimed—it rose except for the period shortly after the warning.

Moreover, NHTSA's reliance on "incidences data" (which is wellnigh unverifiable) instead of use of fatality data (which has third-party evidence and is considered to be of much better quality) raises questions about NHTSA's denial of the CAS petition—questions that are still expected to be raised in court.

The GAO investigators are about two to three months away from finishing their job. Their task has been complicated because two congressmen with opposing viewpoints have asked for the investigation.

One is Wirth, who owns one of the Ford vehicles and who thinks they are unsafe in that one area. He has asked for answers on NHTSA's use of statistics, its monitoring of the unique Ford settlement agreement and NHTSA's efforts to inform the public of the potential danger.

The other lawmaker is Rep. John Dingell, Michigan Democrat and chairman of the full committee on which Wirth serves. Dingell seems to agree with Ford and Steed that there is no problem with Ford vehicles that does not also occur with other cars, and he is raising legal issues which GAO has not yet addressed.

Wirth wanted to hold his hearing; Dingell noted that the GAO report is not complete and he will be asking more questions, both of GAO and of NHTSA.

Against that backdrop, J. Dexter Peach, a GAO director, reported to Wirth on several aspects of NHTSA performance.

He said NHTSA monitored the agreement by continuing to collect data, but mostly at the urging of the Center for Auto Safety and of the Wirth subcommittee. It did not look at whether the Ford labels (telling drivers to push the shift lever into Park, etc.) were attached since it thought the letters to owners were more important.

GAO also said that NHTSA's reliance on the less-verifiable "incident and accident data" caused it to find a decline in both the number and rate of Ford incidences and accidents. GAO thinks such data is needed to indicate a problem but that it is not good enough to use for conclusions.

Fatality data is much better, GAO said, and it shows that the rate of deaths for the Ford Park-to-Reverse incidents declined in 1981—the first year after letters/labels—but increased every year thereafter. It's the rate which takes into account the number of such vehicles left on the road that is important—not the raw numbers, GAO said.

Meanwhile, GAO said, NHTSA has stopped using its own data base and, after requesting one from Ford, has used the Ford data.

According to GAO, "NHTSA accepted the Ford data as being the most comprehensive available and used these statistics as the principal information to conclude that the absolute number and the rates of reported incidents and accidents have declined in every calendar year since the December, 1980, settlement."

Although GAO refused to make specific recommendations or to criticize NHTSA performance, it nonetheless made its differences known.

In contrast with NHTSA statements of two years ago—"only" 26 deaths attributed to Ford Park-to-Reverse incidents since the settlement and a significant decline in the death rate—GAO found: "As of June, 1985, this data base consists of a total of 446 reports of fatalities that involve Ford vehicle model years 1960-84. Of these 446 fatality reports, 336 involve 1970-79 Ford vehicles.

"The 336 figure includes 110 fatalities reported before the Dec. 30, 1980, settlement agreement and 226 reported after the agreement. Of the fatalities reported after the agreement, 88 occurred before and 139 occurred after the agreement."

Steed insisted that what she told Wirth was true at the time. It was how the data was cut and read. On a per-day incident basis, she said, it is still true—with more data in—that the fatality rate per day pre-settlement is higher than post-settlement. It's not the 300 percent she reported two years ago, but it is 194 percent higher.

The point Wirth makes, however, is that though the deaths may be down, so are the number of large Ford vehicles of those model years left on the road and the death rate was way up in calendar 1984.

NHTSA contended last month and still contends that the rate of accidents/injuries is approximately the same pre-1980 and post 1980—that is, after the design of the gear detente was changed.

But the NHTSA staff report of two weeks ago found fatalities from Park-to-Reverse incidents disproportionately high for Fords compared with non-Fords.

GAO now says that if it were NHTSA, it would consider getting more information to drivers in view of the higher fatality rates and it would think twice about using again such a settlement in view of its limited effectiveness.

GAO added also that in view of the eight-year statute of limitations in the safety law, NHTSA should move quickly if it plans to reach a final determination of defect.

Obviously, NHTSA has no such plans, but the story is not yet over as more congressional hearings and more court action are probably in the works.

New Ford sports model possible, Poling says

Continued from Page 2

design engineering outfits—or be actively involved.

Company insiders have said SVO has been busy in recent months laying the groundwork for a possible all-new sports-car venture.

The planning has reportedly taken precedence over new SVO adaptations of existing production cars—such as the Thunderbird and new front-wheel-drive models—which are reportedly well-defined and lacking only a corporate green light.

When asked whether an SVO Thunderbird or other special performance versions are coming from the group, Poling said, "I think they are making contributions consistently on all our products in terms of the performance aspects.

"But," he added, "if you're talking about a major contribution in terms of a vehicle, I would sort of like to concentrate on a sports car."

The Maya, a concept car built at Giugiaro's ItalDesign studios in Turin, is powered by a Ford 3.0-liter V-6 engine and was displayed earlier this year at the Geneva Auto Show. The car was lent to Ford recently and a photograph of the vehicle, under the heading "What A Car!," turned up in a recent edition of the company's Ford World employe publication.

There has been speculation that the Maya may become Ford's entry in the luxury two-seater wars expected to heat up among the domestics later in the decade. Poling acknowledged a fondness for the front-wheel-drive coupe, but would say little else about the car.

"I'd rather not talk about future plans," he said. "I think we've got a lot of exciting things right now."

Two weeks ahead of last year

'85 car production tops 5 million

By Louise Kertesz
Detroit Reporter

U.S. auto production for 1985 passed the five-million mark last Tuesday (July 30), two weeks ahead of last year.

Year-to-date, 5,075,861 cars have been assembled, 4.59 percent more than the 4,853,027 built last year at this point.

With more plants down for model changeover, last week's scheduled production of 133,095 cars was down 14.12 percent from the previous week's 154,974.

Last week's targeted output was 20.88 percent more than the year-ago week's 110,104.

The manufacturers shared last week's scheduled production as follows: General Motors, 60.83 percent; Ford Motor Co., 24.55 percent; Chrysler Corp., 6.46 percent; Honda of America Mfg. Co., 2.37 percent; American Motors, 2.07 percent; Volkswagen of America, 1.41 percent; New United Motor Mfg. Co., 1.35 percent, and Nissan Motor Mfg. Co., U.S.A., 0.96 percent.

Chrysler's Jefferson (Detroit) plant is scheduled to start production of 1986 models today (Aug. 5) after being down for two weeks for changeover.

The company's Belvidere (Ill.) plant is down for model changeover this week, with production set to resume Aug. 12.

Chrysler's St. Louis Plant No. 2 is also down this week, for a combination of vacation and model changeover. It is scheduled to reopen Aug. 19.

Chrysler's Sterling Heights (Mich.) and Newark (Del.) plants remain closed this week for changeover. They are due to reopen Aug. 19.

The company's St. Louis No. 1 plant remains closed for changeover until Aug. 12.

Ford's Lorain (O.) and Dearborn plants are due to begin production of 1986 models today.

GM's Leeds (Mo.) plant, which was closed for a week for model changeover, is scheduled to resume production today.

The company's plants in Van Nuys, Calif., and Norwood, O., are closed this week for model changeover. They are due to reopen Aug. 12.

Ford plants slated for daily overtime this week are: Chicago; Dearborn; Edison, N.J.; Kansas City; Wayne, Mich., and Wixom, Mich.

The company's Chicago plant is scheduled to work overtime Saturday (Aug. 10).

IRS issues tax guidelines for use of company cars

By Geoff Sundstrom
Washington Reporter

WASHINGTON.—New, less-stringent, guidelines for the reporting and withholding of taxes on employes' personal use of company-owned cars, and other fringe benefits, have been proposed by the IRS.

The new rules replace the "contemporaneous" record-keeping requirements issued last winter by the IRS. Those rules were overturned this spring by congressional action.

Until IRS issues final rules, the proposed rules will be treated as being in force. Final rules will not have a retroactive effect however, so taxpayers will not be subject to penalties if the rules are changed in the future.

Under the new guidelines, employers may choose to withhold tax for the personal use of business vehicles for some employes, all employes or no employes.

If employers decide not to withhold taxes for personal vehicle use, employes are allowed to increase the amount of income tax withheld by filing a new W-4 form. However, if an employe has too little withheld, he or she may make estimated tax payments in order to avoid penalties for underpayment.

Employers must notify employes of a decision not to withhold by Sept. 1, 1985.

Employers who decide to withhold for the use of company cars may withhold at any time during the year in which the vehicle is provided. That allows for the flexibility of withholding money from paychecks on a per-pay-period or quarterly basis.

Although the value of the fringe benefit must be reported to IRS, the tax agency has decided that employers do not have to notify the IRS how they withhold the tax or determine the date on which the benefit is paid to the worker.

However, if the IRS determines that the value of the fringe benefit is underestimated, the employer may be subject to penalties for failure to deposit fully.

The value of fringe benefits provided during a calendar year must be calculated and reported by Jan. 31 of the following year. By the same date, employes must be given a W-2 form reflecting that valuation.

Truck production climbs above 2 million for '85

Domestic truck manufacturers built this year's two-millionth truck last Tuesday (July 30), three weeks ahead of 1984.

So far this year, 2,051,573 trucks have been assembled, 9.78 percent more than the 1,868,798 completed last year at this time.

The makers expected to assemble 63,716 units last week, 6.90 percent fewer than the previous week's 68,439, but 19.68 percent more than the year-ago week's 53,238.

Chrysler's Warren (Mich.) plant is scheduled to reopen today (Aug. 5) after being closed for a week for model changeover.

General Motors' Lordstown (O.) plant is closed to repair damage caused by a fire in the paint system on July 26. The plant will not resume production until after Labor Day, according to a company spokesman.

GM's Pontiac Plant No. 5 was slated for two overtime shifts Saturday (Aug. 3).

Ford Motor Co. has scheduled daily overtime this week at the following plants: Lorain, O.; Twin Cities; Wayne, Mich., and Norfolk.

Canadian trucks hit bottom with Chrysler down

With Chrysler Corp. plants closed for vacation and changeover for the past two weeks, truck production in Canada fell to its lowest point this year.

Last week's estimated truck build of 8,292 units was about the same as (down 0.42 percent) the previous week's 8,327.

Year-to-date, 515,153 trucks have been built, 6.37 percent more than the 484,323 completed last year at this point.

Chrysler plants are scheduled to reopen today (Aug. 5).

Canadian auto makers scheduled assembly of 15,580 units last week, 21.03 percent fewer than the previous week's 19,730, and about the same (up 1.23 percent) as the year-ago week's 15,390.

So far this year, 620,637 cars have been assembled, 6.35 percent fewer than the 662,686 completed last year at this point.

General Motors' Oshawa (Ont.) plant closed last week for vacation and changeover. It is scheduled to resume production Aug. 12.

American Motors' Brampton (Ont.) plant is due to resume operations today after being closed since June 24 for vacation and changeover.

CANADIAN CAR PRODUCTION

	Week Ended August 3, 1985	Week Ended August 4, 1984	Week Ended July 27, 1985	July Est.	Jan. 1 to August 4, 1984	Jan. 1 to August 3, 1985
AMERIC/N MOTORS	0	610	0	0	13,458	5,493
FORD MOTOR	11,585	9,061	10,887	22,208	255,791	200,041
GENERAL MOTORS	3,770	5,719	8,618	45,524	386,955	318,647
VOLVO	225	0	225	990	6,482	6,456
Total Cars, Canada	15,580	15,390	19,730	68,722	662,686	620,637

U.S. TRUCK PRODUCTION

	Week Ended August 3, 1985	Week Ended August 4, 1984	Week Ended July 27, 1985	July Est.	Jan. 1 to August 4, 1984	Jan. 1 to August 3, 1985
CHEVROLET	20,946	17,377	25,786	100,880	607,014	722,289
DODGE	0	2,451	3,901	15,581	119,635	125,908
FORD	25,160	21,861	24,703	63,067	699,598	699,459
GMC	6,370	5,112	7,797	30,532	196,729	222,356
INTERNATIONAL	1,650	1,757	1,670	4,254	44,248	46,619
JEEP	5,000	3,630	0	10,836	111,066	117,924
NISSAN	2,540	0	2,532	6,423	57,738	60,725
AM GENERAL	50	50	50	210	1,570	1,490
MISCELLANEOUS	2,000	1,000	2,000	7,983	31,200	54,803
Total Trucks, U.S.	63,716	53,238	68,439	239,766	1,868,798	2,051,573

CANADIAN TRUCK PRODUCTION

	Week Ended August 3, 1985	Week Ended August 4, 1984	Week Ended July 27, 1985	July Est.	Jan. 1 to August 4, 1984	Jan. 1 to August 3, 1985
CHRYSLER	0	3,931	0	21,179	206,730	236,389
FORD	3,648	3,348	3,349	5,538	91,072	96,317
GENERAL MOTORS	4,379	922	4,706	23,427	182,015	175,932
INTERNATIONAL	265	217	272	753	4,506	6,515
Total Trucks, Canada	8,292	8,418	8,327	50,897	484,323	515,153
N. American Trucks	72,008	61,656	76,766	290,663	2,353,121	2,566,726

r—Now includes window van production. *—Estimate.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

U.S. CAR PRODUCTION

	Week Ended August 3, 1985	Week Ended August 4, 1984	Week Ended July 27, 1985	July Est.	Jan. 1 to August 4, 1984	Jan. 1 to August 3, 1985
AMERICAN MOTORS	2,750	4,551	2,834	9,276	118,400	64,448
Renault Total	2,750	4,551	2,834	9,276	118,400	64,448
Alliance	1,975	2,640	1,888	6,519	64,064	40,237
Encore	775	1,911	946	2,757	54,336	24,211
CHRYSLER CORP.	6,600	129	17,331	101,921	759,282	830,033
Plymouth Total	2,800	38	5,670	28,944	223,176	239,253
Horizon	2,700	0	2,902	13,253	93,875	91,153
Reliant	0	17	2,506	11,635	110,334	104,984
Caravelle	0	21	5	2,915	5,537	31,669
Gran Fury	100	0	257	1,141	13,430	11,417
Chrysler Total	2,700	40	4,087	32,395	254,711	273,561
LeBaron	0	0	670	6,169	77,225	62,713
LeBaron GTS	0	0	0	7,215	0	60,506
Laser	0	0	1,045	4,293	46,064	34,390
New Yorker/E-Class	0	40	0	4,181	63,070	43,539
Fifth Avenue	2,700	0	2,372	10,537	68,352	72,413
Dodge Total	3,100	51	7,574	40,582	281,395	317,219
Omni	2,700	0	2,628	11,919	88,880	89,724
Aries	0	22	2,252	10,729	87,643	87,047
Daytona	0	0	1,076	4,343	34,207	31,474
Dodge 600	0	29	651	4,738	48,280	42,919
Lancer	0	0	0	4,684	0	42,807
Diplomat	400	0	967	4,169	22,385	23,248
FORD MOTOR	32,673	35,846	33,646	85,647	1,028,258	993,635
Ford Division	21,674	21,016	22,279	56,640	664,252	659,116
Escort	7,706	5,714	7,545	19,451	204,291	191,908
Mustang	3,858	3,117	3,697	9,627	80,440	105,966
LTD	3,472	3,540	4,092	9,488	127,075	126,584
Thunderbird	2,535	2,651	2,904	7,726	88,795	111,010
Crown Victoria	0	1,623	0	0	45,544	7,122
EXP	0	797	0	0	20,581	3,863
Tempo	4,103	3,574	4,041	10,349	97,526	110,663
L-M Division	10,999	14,830	11,367	29,006	364,006	334,519
Mercury Total	7,415	10,679	7,838	20,140	262,493	238,981
Lynx	1,744	1,971	1,803	4,538	40,446	43,767
Capri	727	222	745	1,882	10,207	11,576
Marquis	1,828	2,725	1,788	4,588	68,332	64,465
Cougar	2,019	3,202	2,350	6,187	62,386	80,782
Grand Marquis	0	1,733	0	0	55,678	4,733
Topaz	1,097	826	1,152	2,944	25,444	33,658
Lincoln Total	3,584	4,151	3,529	8,866	101,513	95,538
Continental	500	1,097	487	1,234	23,019	15,953
Lincoln	2,686	2,599	2,642	6,639	60,257	69,001
Mark VI/VII	398	455	400	994	18,237	10,584
GENERAL MOTORS	80,962	66,615	92,849	391,249	2,813,522	2,999,498
Buick Total	19,907	11,324	22,282	90,949	619,678	619,604
Skylark	0	0	0	0	58,445	40,953
Skyhawk	0	0	2,244	8,463	93,826	67,000
Somerset Regal	2,800	223	2,149	9,287	1,346	72,448
Century	6,079	4,428	6,022	25,553	139,626	163,544
Regal	3,358	0	4,003	15,370	131,396	79,605
LeSabre/Electra(rwd)	2,444	4,069	2,441	10,434	133,837	84,999
Riviera	1,177	1,048	1,187	4,916	32,098	40,460
Electra(fwd)	4,049	1,556	4,236	16,925	29,104	70,595
Cadillac Total	5,996	6,788	6,848	28,508	205,384	221,885
Cimarron	535	764	560	2,271	10,219	17,536
Seville	715	674	721	2,991	24,904	23,657
Eldorado	1,405	1,504	1,410	5,868	48,691	44,727
Cadillac (rwd)	400	1,695	355	1,746	86,427	29,068
DeVille (fwd)	2,941	2,151	3,802	15,632	35,143	106,897
Chevrolet Total	18,933	23,152	26,538	113,803	955,208	1,006,831
Chevette	1,813	2,884	3,086	13,419	116,445	98,697
Cavalier	7,880	4,633	9,168	39,198	248,454	300,362
Celebrity	5,424	5,396	5,485	22,854	184,027	172,859
Camaro	0	4,600	3,167	14,581	159,324	137,143
Citation	0	1,701	0	0	70,043	28,697
Malibu/El Camino	0	0	0	0	16,346	0
Monte Carlo	1,167	1,496	1,339	7,734	70,766	83,636
Chevrolet	1,786	1,694	2,893	12,115	69,220	158,213
Corvette	863	748	800	3,900	20,583	27,224
Oldsmobile Total	24,464	19,090	24,810	104,041	702,156	749,309
Omega	0	0	0	0	29,289	0
Firenza	0	102	798	3,146	44,390	39,358
Cutlass Supreme	5,131	3,897	5,618	22,312	171,185	140,047
Cutlass Ciera	6,606	5,517	6,540	27,701	171,834	220,697
88/98 (rwd)	5,917	5,971	5,528	25,852	220,718	151,238
Olds 98 (fwd)	2,587	2,413	2,674	11,830	34,819	85,410
Calais	3,520	305	2,749	10,280	1,342	88,810
Toronado	703	885	703	2,921	28,579	24,289
Pontiac Total	11,692	6,261	12,371	53,948	331,096	401,869
Acadian**	0	181	202	817	10,247	8,225
2000 Sunbird	2,401	0	2,514	11,255	90,134	86,491
1000	593	768	692	2,885	24,752	14,597
Firebird	0	2,444	1,585	7,962	72,587	73,192
Phoenix	0	0	0	0	14,116	0
6000	1,560	0	1,551	6,502	0	31,183
Grand Prix/Bonneville	0	0	0	0	29,733	0
Parisienne	1,542	419	1,529	6,596	16,621	45,401
Fiero	2,286	2,449	2,132	9,980	72,906	71,885
Grand Am	3,280	0	2,166	7,952	0	70,895
HONDA	3,150	2,963	3,051	12,125	78,134	95,121
NISSAN	1,280	0	1,304	3,264	0	14,392
NUMMI (Nova)*	1,800	0	1,700	7,080	0	20,149
VOLKSWAGEN	1,880	0	2,259	5,455	55,431	58,585
Total Cars, U.S.	133,095	110,104	154,974	616,017	4,853,027	5,075,861
Total Cars, Canada	15,580	15,390	19,730	68,722	662,686	620,637
N. American Cars	148,675	125,494	174,704	684,739	5,515,713	5,696,498
N. American Trucks	72,008	61,656	76,766	290,663	2,353,121	2,566,726
North American Cars and Trucks	220,683	187,150	251,470	975,402	7,868,834	8,263,224

*—Revised estimate.
**—All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

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Soft sales, hauler strike boost stocks to 65 days

By Kathleen Hamilton
Assistant Managing Editor

August opened with a 65-day supply of new domestic cars in dealer and factory hands, the highest level in nearly 2½ years.

Some of the oversupply could be blamed on the Teamsters' strike against the car-hauling companies, but not much. The strike was on only one week of July, and sales didn't go soft in that week alone. They were down throughout the month.

No doubt the strike and threat of strike kept cost-conscious buyers at bay, knowing they could get better prices later, when dealers are overstocked.

Some of the oversupply could be attributed to dealers stockpiling in anticipation of the strike and factory downtime for model changeover. But again, not much, because Aug. 1 inventories usually decline as factories shut down and offer cleanup incentives.

This time, the domestic stockpile of 1,579,595 was up a hair from the July 1 stockpile of 1,576,762. The Aug. 1 supply wasn't so large—just a three-month record. Slow sales made it look large.

On July 1, the similar (July 1) stockpile would have sold in 58 days. At current sales rates, it will take 65 days to get rid of the Aug. 1 inventory.

The last time there was a 65-day supply of cars was on Feb. 1; the last time the days-supply figure was higher was on March 1, 1983, when it was 68.

For comparison, on Aug. 1, 1984, there were 1,297,864 cars in stock, a 47-day supply.

Although a 50-day supply is considered ideal, 65 days isn't far off base—especially since it means that most of those units were in dealer hands before the transporters' strike began. About 10 days' worth of cars are usually in transit at any given moment, so dealers in many parts of the country have the option of picking up their cars at railroad yards close to home.

• A Ford Motor Co. spokesperson said such deliveries have numbered as many as 1,000 on some days during the strike.

With downtime, incentives and the strike, some funny-looking days-supply numbers emerged this month. Mostly, the increases were due to slower sales, especially at Buick. American Motors, on the other hand, sliced its Alliance stockpile mostly by increasing sales sharply.

General Motors, Chrysler Corp., and Nissan increased their domestic-car stockpiles compared with July 1; the rest of the domestic auto makers trimmed theirs.

Domestic inventories were split this way on Aug. 1: GM, 56.49 percent; Ford, 21.14 percent; Chrysler, 18.32 percent; American Motors, 2.54 percent; VW, 1.05 percent; Honda, 0.24 percent, and Nissan, 0.22 percent.

One month earlier, the split was GM, 52.68 percent; Ford, 25.28 percent; Chrysler, 17.76 percent;

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Examining the Excel

Hidden Image

Hyundai model set for '86 U.S. debut

Hyundai's new Pony Excel subcompact is undergoing tests in the U.S. before the car's debut here in early 1986. The front-wheel-drive Excel is pictured with wiring used for hot weather testing. The Excel will have a 1.5-liter engine and 4-speed manual transmission as standard equipment. The engine and running gear are from Mitsubishi and styling is by ItalDesign. Hyundai plans to sell 100,000 cars here next year.

Transport talks halt; cars, trucks stranded

By Richard Johnson
Detroit Reporter

The nation's auto dealers watched inventories dwindle last week while new cars and trucks stranded by the two-week-old nationwide haulers strike continued to pile up in factory storage yards, railheads and ports.

Production schedules remained unaffected by the strike as of late last week.

Bargainers for the more than 20,000 Teamsters-represented new-car haulers and the National Automobile Transporters Labor Division resumed talks last Wednesday (Aug. 7) for the first time since the walkout began on July 25. But negotiations broke off with the two sides making "no progress," according to a spokesman for the management association.

Bargaining is set to resume Tuesday (Aug. 13) in Washington. The auto haulers and a bargaining unit representing the transporter industry remain at odds over working conditions and economic issues.

Most domestic dealers carried sufficient stock late last week, although supplies were falling fast and many retailers weren't expecting inventory to hold out much longer.

Meanwhile, import franchiseholders, especially those handling Japanese cars, were in dire straits by the end of the week.

"Our dealers don't have any cars," said a spokesman for American Honda. "They're toughing it out."

Some dealers were driving cars away from distribution centers,

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More Audi autonomy in VW restructuring

By Michelle Krebs
Financial Editor

TROY, Mich.—Volkswagen of America, Inc., has confirmed that it will restructure its management to further split Volkswagen and Audi, giving each more independence.

Audi will remain an operating division of Volkwagen of America. However, it will do business as Audi of America, Inc.

Volkswagen will do business as Volkswagen United States, Inc.

Peter Fischer and James Fuller will continue to head Audi and Volkswagen, respectively. They will retain their vice president titles.

In addition, Peter Weiher, VWoA executive vice president of sales and marketing, will return to Germany and his position here will be eliminated.

A number of corporate responsibilities will be split between the two divisions, most notably the service operation.

Audi and Volkswagen will have separate service divisions under the new plan. Otto Sonnenschmidt will head the Volkswagen service department, reporting directly to Fuller. Kurt Bauer will head the Audi service division, reporting directly to Fischer.

Sonnenschmidt now is VWoA general service manager, and Bauer is VWoA manager of technical services.

A memo to employes said the details of the plan and timing will be finalized in upcoming weeks and is to be implemented by the fourth quarter of this year.

The corporate parts division will continue as it has with Ulrich Fahrun, vice president, reporting directly to VWoA President Noel Phillips.

Controller functions will be es-

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breaking news

Nissan to send diesels to Spanish firm

TOKYO.—Nissan Diesel Motor Co. will export 500 diesels of the 6,925-cc, 170-HP FE engine family annually to Motor Iberica, of Spain, beginning this year. The shipments to Motor Iberica, a subsidiary of Nissan Motor Co., will increase to 1,000 units annually in a few years.

2,500 Nissan vehicles on burning ship

WASHINGTON.—Nissan officials are assessing damage to vehicles aboard a ship that caught fire last week en route from Yokohama to Los Angeles. The Coral Ace was carrying 800 light trucks and 1,700 Sentras and Maximas for California.

Honda signs deal in India

NEW DELHI, India.—Tata Engineering and Locomotive Co. has agreed with Honda Motor Co. to manufacture cars in India. Tata, India's largest vehicle maker, previously built only trucks. Production of Hondas is expected to begin in 1987 at 10,000 cars a year, rising to 40,000 in five years. Honda is expected to buy a 10-percent interest in Tata.

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Joint venture, perhaps to build trucks, is discussed

Ford explores deal with China

By Richard Johnson
Detroit Reporter

Ford Motor Co. is conducting "exploratory talks" with representatives of the Chinese Government about a joint manufacturing venture in China, possibly for production of light trucks.

A Ford spokesman in Dearborn last week confirmed discussions with the Chinese following word from the Peoples' Republic's official Xinhua News Agency that a company vice president met with a top government official early last week.

Xinhua reported that Lindsay Halstead, Ford vice president for Asia Pacific and Latin American Automotive Affairs, visited the country at the invitation of China National Automotive Industry Corp. and consulted with Vice Premier Wan Li.

"We are having discussions with representatives of the Peoples' Republic of China with an eye toward participating in the development of the auto industry in China," the Ford spokesman said.

According to dispatches from Beijing last week, Halstead denied Xinhua's report that a joint venture had reached the planning stages.

"We are talking in general terms about potential ventures," Halstead said. "The talks have not gone beyond that stage."

He added that Ford is trying to get 'background on the Chinese Government's thinking" on the subject of cooperative ventures.

Halstead was also quoted as saying he was on "a very quick exploratory" visit and that there was no time frame for a possible agreement with the Chinese. He also said he "couldn't even imagine a dollar figure" for a venture.

Halstead did say the Chinese were interested in building trucks and that he had invited them to visit Ford operations in Dearborn.

"We have had some discussions for some time," said the Ford representative in Dearborn. Asked what vehicle a joint venture might produce, he said, "There is some thought that it might be light trucks, but there is no program yet, nothing concrete, just exploratory talks."

The spokesman said he didn't know Halstead's itinerary, or how long he planned to remain in China.

Xinhua reported that the proposed joint venture company would turn out "light vehicles" in cooperation with China's second

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Rinspeed Design adds to Porsche 911 Turbo

Swiss car customizer Rinspeed Design, of Zurich, has introduced the Rinspeed Porsche 969 Turbo. Rinspeed Design's additions to a Porsche 911 Turbo include a small front wing, extended air ducts, wide side skirts, elevated rear end, rear spoiler and rooftop spoiler.

$49-over dealer takes on GM in court; results are mixed

By Helen Kahn
Washington Bureau Chief

WASHINGTON.—The Minnesota General Motors dealer who tried unsuccessfully the $49-over-dealer-invoice selling method has won some and lost some in Minnesota Federal District Court.

John Peterson Motors, Inc. (JPM), of Lake City, Minn., and Donald John Peterson, its president, sued GM and GMAC, charging in part that they conspired to drive the dealership out of business, one way or another, in order to stop the "$49-over" method of selling cars.

The dealership handled all five makes of GM cars. The dealership is not now in operation, according to a Chevrolet zone official.

GM and GMAC moved to convert JPM's October, 1984, voluntary petition in bankruptcy court to a Chapter 7 liquidation proceeding, and the court granted it.

Once, JPM was a conventional dealership selling cars to retail customers at a negotiated price. But early in 1983, JPM started its "$49-over" idea—disclosing the factory invoice to the buyer and adding $49.

After JPM declared voluntary bankruptcy, that court appointed an examiner and found an unsatisfactory state of affairs in the dealership—fraud or dishonesty or incompetence or gross mismanagement.

GMAC, which expects to be paid within about 24 hours after the sale of vehicles on which it provides wholesale financing, moved to make the bankruptcy a Chapter 7 type in federal court.

The JPM and Peterson suit is extremely broad. Count 1 against GM, GMAC, various local GM dealers, local and national dealer associations and General Electric Credit Auto Lease Corp. (GECAL) charges conspiracy under the Sherman Antitrust Act to force JPM to stop its "$49-over" program and to force JPM out of business by cutting off financing and taking other steps.

Count 2, under the Robinson-Patman Act, charges GM with discriminatory treatment in "preferencing" and delivery of new vehicles.

Count 3 charges coercion under the Dealer Day in Court Act.

Count 4 brings similar charges under the Racketeer Influence and Corrupt Organizations Act.

Count 4 makes similar claims of conspiracy under the 1971 Minnesota antitrust law.

Count 5 makes claims under the Minnesota Motor Vehicle Sale and Distribution Act.

Peterson claims his personal and business reputation was damaged as was his ability to get credit. His assets and his stock and his real estate values were affected and he suffered mental pain and anguish, he says.

Judge Diana Murphy has granted some of the GM-GMAC motions and denied others.

She denied a GM move for summary judgment and a request for a more definite statement. She granted a GM move to dismiss Counts 2 and 4 for failure to state a claim, but she did not agree to dismiss counts 1, 3, 5 and 6.

Judge Murphy also denied JPM's move for a preliminary injunction.

In count 1, Judge Murphy will allow the federal conspiracy charges under the Sherman Act, including GM and GMAC along with GECAL, to go forward. But no date for discovery has been set.

Similarly, conspiracy charges under the Minnesota statute will also go forward.

But the judge rejected the Robinson-Patman charges on grounds that a number of courts have held that the section used by JPM does not apply to "initial allocation" of products not yet delivered.

Judge Murphy threw out the count under the Racketeering Act on grounds that GM/GMAC did not have a "pattern of racketeering activity."

GMAC did get a security interest against JPM and Peterson, but this was while JPM was a conventional dealer and long before JPM charged GMAC with illegal acts. While GMAC acquired another security interest in 1984, the judge ruled, this was not enough of a "pattern."

Moreover, Judge Murphy said, JPM cannot claim relief under another section of the Racketeering Act since GM neither "controlled or conducted the common, everyday affairs of JPM" nor did it use the "service and facilities of JPM . . . regularly or repeatedly . . ."

But in Counts 1 and 5, Judge Murphy ruled that Peterson had standing to sue since he is the president, sole director and sole shareholder of JPM and he has given security interests in his personal assets.

Judge Murphy explained: "Under these circumstances where the corporation apparently has been treated as an alter-ego and where it may not survive bankruptcy proceedings, the potential for duplicative recovery or complex apportionment of damages is minimal."

The alleged injuries, the opinion continued, flow directly from the antitrust charges claimed.

"As competitors of other GM dealers, plaintiffs' alleged damages are due to the cutoff of supply and the other alleged activities designed to force them to abandon their '$49-over' plan or entire business," the judge said.

Using similar reasoning, Judge

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GM, UAW downplay attack on Saturn pact

By Michelle Krebs
Financial Editor

General Motors and the UAW said last week that charges by an anti-union lobby group that their Saturn contract is illegal are "without merit."

The National Right-to-Work Legal Defense Foundation, the legal arm of the National Right-to-Work Committee, asked the National Labor Relations Board in Detroit to decide if GM's recognition of the UAW as the bargaining unit for Saturn workers is legal.

Since the Saturn workers have yet to be chosen, the group claimed that the contract is in violation of federal law, which allows workers to choose whether they want to be members of a union.

The majority of the initial 6,000 Saturn workers at the plant in Tennessee, which is a right-to-work state, are to come from UAW ranks, both employed and unemployed.

Edmund Dilworth, GM assistant general counsel and general counsel to Saturn Corp., said: "In our view, we have done nothing illegal, and we intend to defend our position before the NLRB."

In a joint statement, UAW President Owen Bieber and UAW Vice President Donald F. Ephlin, director of the union's GM department, said the charges came as no surprise.

"While we have not had an opportunity to study the charge by the so-called 'Right-to-Work' group, it is not unexpected, and we believe it is totally without merit," they said.

"Our agreement with Saturn Corp. will provide that innovative project with the knowledgeable, experienced workforce it needs to succeed, and it will also give thousands of laid-off GM workers the opportunity to return to a job," they said.

The NLRB will appoint a board lawyer to investigate the charges and report to the Detroit regional director. If the charges are found to have merit, the NLRB will issue a complaint in 30 to 45 days.

The entire process could end up before an NLRB administrative law judge who would try the case. The judge's decision could be appealed to the full NLRB in Washington and could eventually end up in the courts.

Detroit's help for Avanti move placed on 'hold'

DETROIT.—Funding help through the City of Detroit for Avanti Motor Corp. has been shelved again.

The Detroit Common Council had rejected, then reconsidered and approved, applying for a $2 million Urban Development Action Grant to help the specialty car company move to Detroit from South Bend.

However, a letter from the Detroit Department of Housing and Urban Development to the city said that since the reconsideration by the Council came after the application deadline, the application had to be returned without review.

The application apparently can be resubmitted if the deadline is waived.

Avanti is operating under Chapter 11, which provides for protection from creditors while the company reorganizes under the supervision of the U.S.Bankruptcy Court.

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60th year—No. 5087

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How to telephone the White House

Ever wanted to give President Reagan a piece of your mind?

The White House telephone number is (202) 456-7639. This won't get the President on the phone, but it is a direct line to the White House staff, and your message will get through.

Japanese makers send parts buyers to U.S.

By Francis J. Gawronski
Tokyo Bureau Chief

TOKYO.—At the request of the Ministry of International Trade and Industry, the Japan Automobile Manufacturers Assn. will send an automobile parts purchasing mission to the U.S.

The visit, according to JAMA, will coincide with the Automotive Parts and Accessories Assn. show in Chicago Aug. 26-28.

A JAMA spokesman said the mission would be made up of purchasing executives from automobile manufacturers, parts manufacturers, parts distributors and trading firms that import parts for the Japanese aftermarket.

The last time JAMA sent a buying mission to the U.S. was in 1980 when Japanese automotive exports became a target, as they are now, because of the huge U.S. trade deficit.

The JAMA spokesman said members of the mission will concentrate on auto components that they feel association members would be interested in importing.

Because the value of Japan's auto parts imports is still far less than the value of its exports of vehicles to the U.S. and since that is a major contributor to the trade deficit, there has been a mushrooming movement within the U.S. for Japan to increase auto parts imports.

A large delegation of APAA members is planning to visit Japan to conduct a parts-sales promotion at the Tokyo Motor Show Oct. 30-Nov. 11.

AC Spark Plug and Delco Remy divisions of General Motors are going to exhibit at the motor show for the first time in an effort to attract sales orders from Japanese automotive firms.

Firestone-equipped Nova

A Chevrolet Nova, produced by New United Motor Mfg., Inc., was part of a display at Firestone Tire & Rubber Co.'s headquarters in Akron. Looking over the new model are, from left: Arthur W. Stuart, Firestone's coordinator of offshore tire accounts; Thomas J. Reese, vice president for original equipment tire sales, and George W. Aucott, president of Firestone's world tire group. Firestone is supplying tires for half the Novas, which are produced in Fremont, Calif.

But sales of domestics slip from year-earlier levels

Imports surge to record month

By Jenny L. King
Detroit Reporter

New-car sales in July were nothing short of spectacular for the imports—they amassed their highest one-month total in history. But domestics were down from strong 1984 levels.

Record import sales translated into 29.52 percent of the month's market which, while not a record, was up more than six percentage points from the 23.15 percent earned a year earlier, and up from 26.87 percent in June.

The loosening of restrictions on Japanese imports earlier this year bolstered midsummer inventories. Another factor: A year ago, the numbers of cars coming from Germany was severely affected by the Metalworkers' strike which paralyzed production for several weeks.

Industrywide sales in the U.S. totaled 898,925 in July, up 1.17 percent from 889,947 the preceding year. Domestic sales of 633,527 were down 7.39 percent from a robust 684,112 in 1984. Import numbers soared to an any-month high of 265,398, up 28.94 percent from 205,835 a year earlier.

The import share of the July market, 29.52 percent, was actually only fourth best for the month. A record 31.68-percent penetration was achieved in 1982.

Seven-month sales for the industry numbered 6,531,200, up 2.56 percent from 6,368,183 in 1984. Domestics were up 0.35 percent, to 4,947,884 from 4,930,455. Imports had a 10.22-percent plus margin over 1984, up to 1,583,316 from 1,437,728.

Chrysler Corp. was the frontrunner among U.S. auto makers with its 6.14-percent July sales increase. Chrysler reported sales of 87,766 new passenger cars this year versus 82,691 in July, 1984.

Ford Motor Co. also managed to come out ahead, up 1.88 percent, to 165,621 from 162,568. General Motors dropped 12.52 percent, to 348,936 from 398,858. American Motors plunged 48.90 percent, to 12,144 from 23,763.

Honda failed to match its year-ago number, dipping 2.97 percent, to 9,338 from 9,624. Volkswagen missed by 6.20 percent, dropping to 6,198 from 6,608. Nissan reported first-year July sales of 3,524 Tennessee-built Sentras.

The domestic market included GM with 55.08 percent, down from 58.30 percent. Ford was up to 26.14 percent from 23.76 percent. Chrysler earned 13.85 percent compared with 12.09 percent a year earlier.

AMC slipped to 1.92 percent from 3.47 percent. Honda sales accounted for 1.47 percent, up from 1.41 percent. VW climbed to 0.98 percent from 0.97 percent, and Nissan held 0.56 percent of the recent market.

Sales of domestic makes in July showed more declines than increases, compared with year-ago totals. Those with plus signs were Plymouth, up 9.42 percent; Dodge, up 15.90 percent; Ford, up 1.64 percent; Mercury, up 1.95 percent, and Lincoln, up 3.60 percent.

Chrysler was down 5.79 percent, Buick was down 20.58 percent, Cadillac dropped 7.14 percent and Chevrolet was off 13.18 percent. Oldsmobile sales slipped 5.64 percent, Pontiac was down 13.16 percent, AMC plunged 44.61 percent and Renault fell 49.17 percent. VW was down 6.20 percent and Honda slipped 2.97 percent.

With 26 selling days in the month this year, the domestic daily rate of 24,366 was down 10.96 percent from 27,364 based on 25 selling days in 1984.

The import sales romp was spurred by big gains for Toyota and Nissan plus generous increases for the German makers whose sales had been crippled by a strike a year earlier. For example, Audi sales were up 84.82 percent, BMW was up 54.50 percent, VW was up 65.06 percent, and Porsche sales and Mercedes-Benz sales tripled.

Toyota reported its second-best month ever, its sales reaching 68,753, up 32.31 percent from 51,962 last year. Nissan was up 26.98 percent, to 53,564 from 42,183.

Other July winners included Jaguar, up 34.24 percent; Isuzu, up 85.92 percent, and Peugeot, up 15.07 percent. Mitsubishi sales doubled, while Subaru was up 3.13 percent. Honda dropped 7.25 percent, Volvo was up 7.65 percent.

The import market share of 29.52 percent was the largest piece of the pie. Next in size were domestic intermediates with 24.82 percent, followed by compacts at 15.42 percent, subcompacts at 12.41 percent, standards at 9.41 percent and luxury models at 8.42 percent.

A year ago, the market spectrum featured imports at 23.15 percent, intermediates at 24.00 percent, compacts at 18.91 percent, subcompacts at 14.53 percent, standards at 11.19 percent and luxuries at 8.22 percent.

For July, 1985, domestic-only market shares included intermediates at 35.21 percent, compacts at 21.88 percent, subcompacts at 17.61 percent, standards at 13.35 percent and luxuries at 11.95 percent.

July 21-31 sales extended the domestic string of losses to five consecutive periods. Down 10.63 percent, to 242,413 from 271,260 last year, the most recent total included drops for every maker except Chrysler and, of course, newcomer Nissan.

Chyrsler was up 7.21 percent. GM dropped 14.92 percent, Ford was down 2.96 percent, AMC plunged 51.56 percent, VW was off 0.79 percent and Honda dropped 32.42 percent.

GM sales accounted for 54.62 percent of the third-period market. Ford cornered 26.03 percent, Chrysler had 14.18 percent and AMC earned 2.21 percent. VW held 1.30 percent, Honda had 1.20 percent and Nissan had 0.46 percent.

With nine selling days in the period both years, the daily rate was off 10.63 percent, to 26,935 from 30,140.

IMPORTED CAR SALES

	July, 1985	July, 1984	7 Mos., 1985	7 Mos., 1984
Alfa Romeo	363	325	2,851	2,056
Audi	7,417	4,013	44,503	43,836
BMW	7,827	5,066	50,174	42,011
Chevrolet Spectrum	5,341	.....	28,284	.....
Chevrolet Sprint	2,276	1,436	10,899	4,514
Dodge Colt	2,850	2,777	17,479	18,414
Dodge Conquest	202	283	1,601	2,546
Dodge Vista	1,237	751	5,816	3,885
Honda	28,062	30,255	230,911	226,128
Isuzu	2,787	1,499	14,473	9,492
Jaguar	1,784	1,329	11,106	10,203
Maserati Biturbo	88	218	782	458
Mazda	17,229	16,269	103,579	98,299
Mercedes-Benz	7,706	2,343	51,605	42,869
Merkur	933	.....	3,666	.....
Mitsubishi	5,280	2,579	27,161	22,172
Nissan	53,564	42,183	304,857	286,428
Peugeot	1,901	1,652	9,437	11,245
Plymouth Colt	2,599	2,341	16,518	16,135
Plymouth Conquest	198	247	1,549	2,198
Plymouth Vista	1,195	708	5,724	3,648
Porsche	2,072	659	14,194	13,117
Renault	489	1,114	4,740	7,600
Saab	3,679	2,663	23,979	20,806
Subaru	15,569	15,097	94,068	93,647
Toyota	68,753	51,962	352,685	321,420
Volkswagen	13,079	7,924	81,112	67,445
Volvo	10,918	10,142	69,563	67,156
TOTAL	265,398	205,835	1,583,316	1,437,728

U.S. CAR SALES BY MARKETING UNITS

	July, 1985	July, 1984	7 Mos., 1985	7 Mos., 1984
Chevrolet	131,204	143,784	998,921	1,012,909
Ford	107,998	106,255	837,730	768,472
Oldsmobile	83,400	88,384	657,901	699,857
Toyota	68,753	51,962	352,685	321,420
Buick	61,375	77,281	527,627	572,968
Nissan	57,088	42,183	315,668	286,428
Pontiac	54,597	62,872	465,520	443,321
Mercury	45,321	43,538	320,765	313,346
Dodge	38,977	33,740	292,551	249,374
Honda	37,400	39,879	323,300	301,422
Chrysler	23,829	30,600	217,427	192,725
Plymouth	28,241	25,458	229,996	200,592
VWoA	26,694	19,204	171,773	174,907
Cadillac	25,977	27,973	174,361	192,473
Mazda	17,229	16,269	103,579	98,299
Subaru	15,569	15,097	94,068	93,647
Lincoln	13,235	12,775	92,664	89,936
AMC—Renault	12,633	24,877	79,314	127,619
Volvo	10,918	10,142	69,563	67,156
BMW	7,827	5,066	51,605	42,869
Mercedes	7,706	2,343	51,605	42,869
Mitsubishi	5,280	2,579	27,161	22,172
Saab	3,679	2,663	23,979	20,806
Isuzu	2,787	1,499	14,473	9,492
Porsche	2,072	0	14,194	0
Peugeot	1,901	1,652	9,437	11,245
Jaguar	1,784	1,329	11,106	10,203
Alfa Romeo	363	325	2,851	2,056
Maserati Biturbo	88	218	782	458
TOTAL	898,925	889,947	6,531,200	6,368,183

Chevrolet includes Sprint and Spectrum. Honda combines imports and domestics. Dodge includes Colt, Conquest, Vista. Plymouth includes Colt, Conquest,Vista. VWoA includes Audi, and Porsche through Aug. 31, 1984. Porsche figures began Sept. 1, 1984. Nissan includes Sentras built in the U.S.

Where auto market was, July, 1985

	Total Sales	Pct. of Total
SUBCOMPACT	111,561	12.41
COMPACT	138,605	15.42
INTERMEDIATE	223,070	24.82
STANDARD	84,548	9.41
LUXURY	75,743	8.42
IMPORTS	265,398	29.52
TOTAL	898,925	100.00

DOMESTIC CAR SALES

	July 21 to July 31, 1985	Same Period, 1984	July, 1985	Same Month, 1984	Jan. 1 to July 31, 1985	Same Period, 1984
Alliance	0	0	8,135	13,213	42,454	63,247
Encore	0	0	3,218	9,122	25,723	44,652
Total Renault	0	0	11,353	22,335	68,177	107,899
Eagle	0	0	791	1,428	6,397	12,120
Total AMC	0	0	791	1,428	6,397	12,120
AMERICAN MOTORS	5,354	11,083	12,144	23,763	74,574	120,019
Horizon	1,439	2,601	4,433	6,294	53,686	46,801
Turismo	1,188	1,830	3,624	4,571	34,919	29,202
Reliant	5,693	3,029	12,059	9,537	82,847	91,970
Caravelle	841	0	2,340	0	21,628	0
Plymouth	504	678	1,793	1,760	13,125	10,638
Total Plymouth	9,665	8,138	24,249	22,162	206,205	178,611
Laser	1,438	2,002	3,540	4,813	33,205	34,127
LeBaron K	2,494	3,652	7,196	9,815	53,590	61,639
LeBaron GTS	2,975	0	7,028	0	39,918	0
Cordoba	0	0	0	0	0	136
Fifth Avenue	2,690	4,128	6,735	9,468	58,680	47,472
E-Class	0	936	0	2,315	18,318	18,762
New Yorker	1,521	1,650	4,330	4,189	13,716	30,589
Total Chrysler	11,118	12,368	28,829	30,600	217,427	192,725
Omni	1,308	2,306	4,085	5,687	45,570	40,698
Charger	1,234	1,995	3,735	4,754	37,363	32,219
Daytona	1,362	1,491	3,591	3,677	31,430	28,180
Aries	5,439	2,486	10,783	7,677	68,227	70,233
Lancer	1,720	0	4,773	0	27,972	0
Dodge 400-600	0	969	0	2,341	3,012	15,135
Diplomat	1,102	1,225	3,621	3,007	23,636	15,819
Mirada	0	0	0	0	0	282
Dodge 600	1,438	1,095	4,100	2,786	30,445	21,963
Total Dodge	13,603	11,567	34,688	29,929	267,655	224,529
CHRYSLER CORP.	34,386	32,073	87,766	82,691	691,287	595,865
EXP	358	1,191	1,211	2,823	15,641	17,091
Escort	11,538	11,241	29,535	27,510	231,167	206,054
Mustang	4,063	4,622	12,534	11,163	97,515	80,297
Tempo	7,452	8,914	17,871	22,232	175,210	150,498
Thunderbird	6,363	5,071	14,283	12,124	96,526	93,184
LTD	6,559	5,776	17,254	15,091	122,627	117,477
Crown Victoria	5,054	5,677	15,310	15,312	99,044	103,871
Total Ford Division	41,387	42,492	107,998	106,255	837,730	768,472
Lynx	2,518	1,967	6,556	4,879	47,620	39,300
Topaz	1,351	2,469	3,741	5,687	47,158	42,889
Cougar	4,308	3,679	10,983	9,326	68,354	69,479
Capri	521	582	1,305	1,426	9,252	11,498
Marquis	3,500	3,589	9,536	8,791	58,232	62,564
Grand Marquis	4,486	5,053	12,267	13,429	80,663	87,616
Total Mercury	16,684	17,339	44,388	43,538	317,099	313,346
Continental	884	1,771	2,173	4,621	17,243	19,616
Lincoln	3,349	2,641	9,237	6,197	63,362	48,962
Mark VII	798	783	1,825	1,957	12,059	21,358
Total Lincoln	5,031	5,195	13,235	12,775	92,664	89,936
Total L-M Division	21,715	22,534	57,623	56,313	409,763	403,282
FORD MOTOR COMPANY	63,102	65,026	165,621	162,568	1,247,493	1,171,754
Skyhawk	2,587	4,610	6,791	12,732	55,881	78,048
Skylark	667	2,472	2,011	7,111	51,117	62,812
Somerset Regal	2,326	0	4,711	0	59,925	(0)
Century	6,315	6,432	16,383	16,749	131,990	128,295
Regal	2,878	5,817	7,508	16,396	63,154	122,092
LeSabre	3,900	5,031	10,018	13,165	87,179	96,040
Electra	4,074	3,546	9,292	7,681	46,294	54,438
Riviera	1,878	1,286	4,661	3,447	32,087	31,243
Total Buick	24,625	29,194	61,375	77,281	527,627	572,968
Cimarron	558	917	1,506	1,839	13,059	11,911
Seville	988	1,160	2,382	2,829	19,020	20,559
Cadillac	6,915	7,212	17,127	17,640	102,799	119,146
Eldorado	2,078	2,300	4,962	5,665	39,483	40,857
Total Cadillac	10,539	11,589	25,977	27,973	174,361	192,473
Chevette	3,329	6,093	9,026	14,389	73,153	111,431
Nova	1,493	0	4,043	0	7,239	0
Cavalier	10,235	13,443	28,604	35,314	261,188	231,828
Citation	836	2,703	2,221	8,985	36,311	64,818
Camaro	6,106	7,599	17,019	19,200	125,335	128,918
Celebrity	11,540	11,231	31,656	28,942	213,273	206,817
Malibu	0	5	0	6	0	980
Monte Carlo	3,323	3,616	9,414	9,681	70,349	82,638
Chevrolet	6,764	9,639	18,695	23,818	149,686	164,416
Corvette	1,005	860	2,909	2,013	23,240	16,549
Total Chevrolet	44,631	55,189	123,587	142,348	959,774	1,008,395
Firenza	1,131	2,277	3,058	5,789	33,861	39,758
Omega	0	1,202	0	3,290	0	29,015
Calais	2,939	0	6,550	0	75,952	0
Cutlass Ciera	9,270	8,595	25,964	22,069	200,826	164,123
Cutlass Supreme	5,598	8,179	15,266	21,679	129,662	214,538
Olds 88	6,895	9,314	18,122	23,890	128,958	170,860
Olds 98	4,730	3,109	11,640	8,071	67,580	5 ,837
Toronado	1,073	1,458	2,800	3,596	21,062	24,726
Total Oldsmobile	31,636	34,134	83,400	88,384	657,901	699,857
Fiero	2,395	3,925	6,495	8,613	59,228	64,394
1000	522	1,039	1,274	2,778	13,187	17,056
Sunbird	2,731	5,062	6,978	12,260	70,310	79,444
Phoenix	0	483	0	1,413	896	9,922
Firebird	3,053	4,155	8,369	9,876	64,993	65,841
Grand Am	3,013	0	6,541	0	62,695	0
6000	4,491	4,116	12,407	10,915	91,600	80,796
Bonneville	1,398	2,186	3,660	5,614	31,269	44,318
Grand Prix	1,518	2,423	4,151	6,152	33,236	48,000
Parisienne	1,850	2,121	4,722	5,251	38,106	33,550
Total Pontiac	20,971	25,510	54,597	62,872	465,520	443,321
GENERAL MOTORS	132,402	155,616	348,936	398,858	2,785,183	2,917,014
VOLKSWAGEN	3,143	3,168	6,198	6,608	46,158	50,509
HONDA	2,902	4,294	9,338	9,624	92,389	75,294
NISSAN	1,124	0	3,524	0	10,811	0
DOMESTIC TOTAL	242,413	271,260	633,527	684,112	4,947,884	4,930,455
IMPORT TOTAL	0	0	265,398	205,835	1,583,316	1,437,728
INDUSTRY TOTAL	0	0	898,925	889,947	6,531,200	6,368,183

factories list auction dates

American Motors

Aug. 13—Aptco Auto Auction, Taylor, Mich.

Aug. 14—Kansas City Auto Auction, Kansas City; Mid-States Auto Auction, South Bend; Metro Milwaukee Auto Auction, Caledonia, Wis., and Southern Auto Auction, Warehouse Point, Conn.

Aug. 15—Evansville Auto Auction, Evansville, Ind.; Northway Exchange, Clifton Park, N.Y., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Aug. 16—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Aug. 20—D-A Auto Auction, New Stanton, Pa.; Arena Auto Auction, Chicago, and High Point Auto Auction, High Point, N.C.

Aug. 21—Columbus Fair Auto Auction, Obetz, O.; Central States Auto Auction, Mason City, Ia., and Mid-States Auto Auction, South Bend.

Aug. 22—Todd Auto Auction, Telford, Pa.; Evansville Auto Auction, Evansville, Ind.; Minneapolis Northstar Auto Auction, Shakopee, Minn., and Corry Auto Auction, Corry, Pa.

Aug. 27—Aptco Auto Auction, Taylor, Mich.

Aug. 28—Kansas City Auto Auction, Kansas City; Mid-States Auto Auction, South Bend, and Metro Milwaukee Auto Auction, Caledonia, Wis.

Chrysler Corp.

Aug. 13—Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Florida Auto Auction of Orlando, Ocoee, Fla.

Aug. 14—Columbus Fair Auto Auction, Obetz, O.; Southern Auto Auction, Warehouse Point, Conn., and South Seattle Auto Auction, Kent, Wash.

Aug. 15—Fredericksburg Auto Auction, Fredericksburg, Va., and Atlanta Auto Auction, Red Oak, Ga.

Ford Motor Co.

Aug. 14—Columbus Fair Auto Auction, Obetz, O., and Concord Auto Auction, Acton, Mass.

Aug. 15—Arena Auto Auction, Chicago, and Dallas Auto Auction, Dallas.

Aug. 21—Lakeland Auto Auction, Lakeland, Fla., and Brasher's Southern California Auto Auction, Fontana, Calif.

Aug. 22—Aptco Auto Auction, Taylor, Mich.; 166 Auto Auction, Springfield, Mo., and Skyline Auto Exchange, Fairfield, N.J.

Aug. 28—Clanton's Auto Auction, Darlington, S.C.

Aug. 29—Floyd Hauhe Auto Auction, Bridgeton, Mo.

General Motors

Aug. 13—Denver Auto Auction, Englewood, Colo., and Florida Auto Auction of Orlando, Orlando.

Aug. 14—Northstar Auto Auction, Shakopee, Minn., and Brasher's Auto Auction, Fontana, Calif.

Aug. 15—Nashville Auto Auction, Nashville; Big H Auto Auction, Houston, and Ohio Auto Auction, Grove City, O.

Aug. 20—Southern Auto Auction, E. Windsor, Conn.; South Seattle Auto Auction, Kent, Wash., and 166 Auto Auction, Springfield, Mo.

Aug. 21—Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis, and Hatfield Auto Auction, Hatfield, Pa.

Aug. 22—Southwest Auto Auction, Phoenix.

Aug. 28—Brasher's Salt Lake Auto Auction, Salt Lake City, and Metro Auto Auction, Kansas City.

used-car auction directory

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August 13
Aptco Auto Auction
Taylor, MI 48180
313/285-7300

High Point A.A.
High Point, NC 27261
919/886-7091

August 14
Kansas City A.A.
Kansas City, MO 64161
816/452-4084

Metropolitan Milwaukee A.A.
Caledonia, WI 53108
612/546-2403

August 15
Minneapolis Northstar A.A.
Shakopee, MN 55379
612/445-5544

Evansville A.A.
Evansville, IN 47714
812/435-4576

Northway A.A.
Clifton Park, NY 12065
518/371-7500

August 20
D-A A.A.
New Stanton, PA 15672
412/722-3122

Arena A.A.
Chicago, IL 60628
312/568-0900

August 21
Columbus A.A.
Columbus, OH 43207
614/497-2000

August 22
Todd A.A.
Telford, PA 18969
215/721-1300

Corry A.A.
Corry, PA 16407
814/664-7721

August 23
Floyd Hauhe A.A.
St. Louis, MO 63044
314/739-1300

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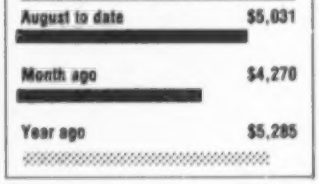
Used Car Sales
Auction Averages



Model Breakdown
Auction Averages

	AUGUST, 1985	JULY 1985	JUNE, 1985
1985	$11,401	$10,864	$11,181
1984	$7,617	$7,727	$8,061
1983	$5,623	$5,971	$6,306
1982	$5,023	$5,326	$5,544
1981	$4,229	$4,141	$4,536
1980	$3,174	$3,245	$3,528
1979	$2,553	$2,590	$2,953
1978	$1,863	$2,139	$2,114
Overall Average	$5,031	$4,815	$5,296

6,000 attend kit-car show; 37 firms exhibit products

Continued from Page 17

kit drew a lot of attention. Tim LoVette owner of Manta Cars, Inc., said, "We are pleased and surprised at the acceptance of this vehicle. The way this Corvette is going, we'll be doubling or tripling our space in the next six months, at least doubling. We can't produce as many as we're selling now."

LoVette said he has a sizeable contract for more than 200 vehicles from Custom Vehicles International, a Texas firm. "We supply the assembled coachworks, they put the engine in. They buy their own chassis and then wholesale them through their dealership network," he explained.

That contract is enough to keep Manta's sole production facility at Santa Ana, Calif., busy for some time. The plant is 18,000 square feet and employs 22 workers.

The kit maker attributes the success of the Corvette kit to the original car's popularity. "There's just a real nostalgic love affair with that car, especially with people over 40," he saids. "They couldn't afford it when they were younger and now there aren't too many around."

Another selling feature is that the kit utilizes new GM parts making the kit much more appealing than trying to restore an original model. "It's like driving a brand new Monte Carlo," he added.

LoVette has added a new feature to the 1950s model. "The car has a soft top—just like the original. We've designed a removable hard top to make it an all-weather car."

Orlando auction breaks records

ORLANDO.—Single-day consignment and sales records were broken at Orlando Auto Auction's 13th Anniversary and Dealer Appreciation Sale, according to a company spokesman.

A total of 3,578 cars was consigned to the auction, making the sale the largest single-day auto auction in Orlando Auto Auction's history. Of that total, 2,289 vehicles were sold, also a new mark.

A record 448 different buyers accounted for those sales, grossing more than $18 million.

Joe Wissens

Mercedes replica is a show stopper

This Mercedes-Benz 540K, built and displayed by private owners Kevin Hamelen and Jack Boehning, received three awards at the show—best of show, best paint and best roadster. The kit was produced by Thoroughbred Motorcars, Inc., Redmond, Wash.

Sales slow down; haulers' strike a factor

U.S. car supply rises to 65 days

Continued from Page 1

AMC, 2.71 percent; VW, 1.08 percent; Honda, 0.29 percent, and Nissan, 0.20 percent.

By size class, the Aug. 1 stockpile was split like this: Subcompact, 18.24 percent; compact, 21.30 percent; intermediate, 33.92 percent; standard, 13.04 percent, and luxury, 13.50 percent.

One month earlier, the shares were: Subcompact, 18.18 percent; compact, 21.60 percent; intermediate, 33.34 percent; standard, 13.93 percent, and luxury, 12.95 percent.

The domestic subcompacts were overstocked on Aug. 1, with an average 67-day supply. The breakout: Encore, 115; Horizon, 102; Chevette, 100; Laser, 96; Omni, 94; Pontiac 1000, 88; Daytona, 85; Nova, 84; Charger, 83; Fiero, 78; Turismo, 73; Golf, 69; Lynx, 66; Alliance, 65; EXP, 52; Escort, 51; Sentra, 25, and Accord, 11.

The 63-day average supply of compacts broke down this way: Eagle, 171; Cimarron, 110; LeBaron, 90; Capri, 86; Firenza, 79; Aries, 72; Camaro, 70; Reliant, 70; Sunbird, 70; Skyhawk, 64; Cavalier, 58; Topaz, 57; Firebird, 52; Tempo, 48, and Mustang, 37.

The 62-day average for intermediates included New Yorker E and E-Class, 122; Regal, 111; Somerset Regal, 105; Caravelle, 103; Dodge 600, 103; Citation, 101; Grand Prix, 95; Lancer, 86; Bonneville, 85; Calais, 81; LeBaron GTS, 68; Pontiac 6000, 65; Cutlass Supreme, 64; Thunderbird, 64; Monte Carlo, 62; Century, 61; Cougar, 56; Celebrity, 51; Marquis, 44; Skylark, 44; Cutlass Ciera, 42; LTD, 38, and Grand Am, 28.

There was an average of 63 days' worth of standard-size cars: Parisienne, 93; Chevrolet, 66; Diplomat, 64; Olds 88, 62; Crown Victoria, 61; Grand Marquis, 60; LeSabre, 52, and Plymouth, 48.

There was an overabundance of luxury cars: 73 days' worth. The breakdown: Fifth Avenue, 110; Seville, 97; Toronado, 91; Corvette, 85; Eldorado, 81; Riviera, 78; Electra, 75; Cadillac, 72; Continental, 62; Olds Ninety-Eight, 55; Lincoln, 51, and Mark VII, 44.

NEW-CAR STOCKS

	Aug. 1, 1985	July 1, 1985	Aug. 1, 1984
Alliance	65	114	43
Encore	115	102	50
Total Renault	79	109	46
Eagle	171	231	102
Total AMC	171	231	102
AMERICAN MOTORS	85	118	49
Horizon	102	73	58
Turismo	73	62	59
Reliant	70	98	62
Caravelle	103	78	0
Plymouth	48	54	47
Total Plymouth	78	80	59
Laser	96	85	76
LeBaron	90	94	56
LeBaron GTS	68	56	0
Fifth Avenue	110	51	63
N. Yorker E/E-Class	122	121	84
Total Chrysler	95	72	67
Omni	94	82	60
Charger	83	75	66
Daytona	85	76	84
Aries	72	100	71
Lancer	86	69	0
Diplomat	64	62	51
Dodge 600	103	91	76
Total Dodge	82	82	68
CHRYSLER CORP.	85	78	66
EXP	52	65	49
Escort	51	48	58
Mustang	37	36	48
Tempo	48	54	61
Thunderbird	64	74	65
LTD	38	45	40
Crown Victoria	61	75	44
Total Ford Division	50	54	54
Lynx	66	62	72
Topaz	57	42	73
Cougar	56	62	49
Capri	86	85	66
Marquis	44	68	35
Grand Marquis	60	75	46
Total Mercury	57	65	51
Continental	62	76	27
Lincoln	51	61	44
Mark VII	44	49	73
Total Lincoln	52	61	42
Total L-M Division	56	64	49
FORD MOTOR	52	57	52
Skyhawk	64	50	52
Skylark	44	41	53
Somerset Regal	105	57	0
Century	61	37	43
Regal	111	57	56
LeSabre	52	39	51
Electra	75	69	21
Riviera	78	65	62
Total Buick	72	48	48
Cimarron	110	85	66
Seville	97	87	53
Cadillac	72	78	19
Eldorado	81	78	76
Total Cadillac	78	79	36
Chevette	100	81	43
Nova	84	72	0
Cavalier	58	55	34
Citation	101	104	51
Camaro	70	68	65
Celebrity	51	42	31
Monte Carlo	62	60	45
Chevrolet	66	66	50
Corvette	85	69	74
Total Chevrolet	65	59	44
Firenza	79	64	54
Calais	81	53	0
Cutlass Ciera	42	31	26
Cutlass Supreme	64	39	26
Olds 88	62	46	35
Olds 98	55	61	29
Toronado	91	80	64
Total Oldsmobile	58	44	32
Fiero	78	74	17
1000	88	53	47
Sunbird	70	58	50
Firebird	52	51	44
Grand Am	28	25	0
6000	65	48	40
Bonneville	85	84	56
Grand Prix	95	97	58
Parisienne	93	85	66
Total Pontiac	67	59	46
GENERAL MOTORS	66	54	42
VOLKSWAGEN	69	70	76
HONDA	11	9	19
NISSAN	25	21	0
DOMESTIC TOTAL	65	58	47
Subcompact	67	60	51
Compact	63	63	53
Intermediate	62	52	43
Standard	63	61	46
Luxury	73	67	41

GM-Holden's Camira revamped

The Camira, manufactured by General Motors-Holden's of Australia, has several new features, including restyled headlights and a 1.8-liter fuel-injected engine with digital electronic ignition.

Empire of America has '100 pct. financing'

No-downpayment car loans offered

By John A. Russell
New York Staff Writer

NEW YORK.—Empire of America Federal Savings Bank announced last week that it will offer 100 percent financing on auto loans up to $45,000.

According to Joseph N. Pastwik, senior vice president of the Buffalo-based bank, this new loan offers the customer the opportunity to finance a new car without a downpayment.

The customer can select a term up to 60 months, according to Pastwik. He said this type of loan will be offered only to the consumer, but the bank probably will introduce "indirect" or dealer-offered financing soon.

He said Empire is one of only two banks in the country offering the "no-downpayment" financing to auto buyers.

This is the second innovative type of auto financing the company has offered within two months. Last month, Empire announced its "TURBO" loan, which is a balloon-payment type that reduces buyers' monthly payments but places a predetermined residual value on the vehicle at the end of the 36- or 48-month term.

At that time, the consumer has several options: He can pay the bank the guaranteed value and keep the car; turn the car over to the bank in good condition, satisfying the loan; sell the car privately for as much as possible and keep the difference, or refinance the balance of the loan at the then prevailing interest rate and keep the car.

This system is very similar to leasing.

For Empire, auto business has become a key to the future. Pastwik told the International Motor Press Assn. that the bank entered this field in 1982. The first year, the bank booked $3.7 million in auto loans. By 1984, after offering loans through non-bank outlets, including auto dealers, it wrote $90 million worth of new business.

While doing business only in Michigan and New York, Empire has been pursuing the auto business with a passion. Its first effort, Pastwik said, was to offer 11.5 percent financing in 1983. Then it introduced the TURBO loans and now the no-downpayment concept.

Pastwik said the bank stresses service to its customers.

Consequently, for dealers, the bank guarantees loan approvals in 20 minutes or less. It is open on weekends and holidays when the dealer needs the bank.

Pastwik sees the auto financing industry developing in the future in three critical ways.

He said a secondary market has developed for auto-backed certificates with financial institutions offering securities backed by auto loans. The first such offering was made by Marine Midland Banks, of New York.

"By selling auto loans to secondary market investors," he said, "an institution is able to continually replenish its funding source and receive a servicing fee that represents a steady stream of income over the life of the loan."

In addition, he said, if the secondary market investors will buy the loans, financial institutions will not hestitate to create new wrinkles in the financing. Therefore, variable-rate plans are the second critical area for development.

The third major trend, he said, will be the "relationship banking" concept in which the financial institution offers complete service to the dealership from floorplanning to financing the purchase for the consumer.

He said these are the opportunities that prompted Empire to enter the auto field, since he believes the captive finance companies and big banks will feel heat of the competition.

Mair tells why U.S. makers lag in production changes

By Roger Rowand
Engineering Editor

TRAVERSE CITY, Mich.—There are historical reasons why U.S. manufacturers are slow in introducing new manufacturing technology, something they often are criticized for, a top General Motors engineer said.

Speaking at a University of Michigan automotive management seminar, Alex C. Mair, vice president and group executive, Technical Staffs Group, sketched those reasons.

Mair used body die changes as an example. Japanese workers can make die changes routinely in five or six minutes. Recently, they have been clocked at 140 seconds, Mair said. In comparison, it takes GM workers seven or eight hours to do the same job, he said.

He said that when practices were being formulated in past years, GM paid more attention to the lowest-cost bidder than to quality. That led to heavy use of relatively old presses such as those in which dies are used.

A second reason, he said, involves success.

"The Chevrolet Impala in its heyday was selling at a rate of 1.5 million units a year with common front fenders," Mair said. "It took two complete press lines running six days a week all year long. There was no way we wanted to change those dies."

Fragmentation of demand today means that 350,000 to 380,000 units is a long run, and die-change speed becomes important.

obituaries

Joseph P. Kelleher

ELLENSBURG, Wash.—Joseph P. Kelleher, owner of Kelleher Motor Co., and president of the Washington State Automobile Dealers Assn. in 1967-68, died July 22. Mr. Kelleher was named a Time Magazine Quality Dealer in 1974.

Manny Weiser

CLEVELAND.—Manny Weiser, 74, one of the founders of the Cleveland Independent Auto Dealers Assn., and its 1985 secretary-treasurer, died July 22. Mr. Weiser had served several terms as president of the dealer group and was a member of the board. His business enterprises included M&M Motors and the Cleveland Auto Auction.

H. Floyd Brown

CORONA DEL MAR, Calif.—H. Floyd Brown, one of the nation's pioneer automobile dealers, died July 19. Mr. Brown was appointed a Nash dealer in 1921 and was active in the auto business until his retirement in 1975 when he sold his American Motors dealerships in San Bernadino and Riverside. Mr. Brown was a former president of the Southern California Motor Car Dealers Assn.

Iacocca program gives scholarships to eight students

DETROIT.—Chrysler Corp. Chairman Lee Iacocca has announced eight winners of the Lee Iacocca Scholars Program.

Funded by the Iacocca Foundation, the program is designed to recognize and reward high school achievement by dependent children of Chrysler employes. It provides four-year scholarships to high school seniors who plan to pursue an undergraduate degree at an accredited four-year college or university.

The Citizens' Scholarship Foundation of America, St. Peter, Minn., processed about 1,400 applications for two programs, the Lee Iacocca Scholars Program and the Chrysler Corp. Fund Scholarship Program. Students not selected for the Iacocca program were automatically considered for the Chrysler scholarship.

Ninety-one students received Chrysler Fund Scholarships, designed for Chrysler employes' children who are enrolled or plan to enroll as full-time students at a two-year or four-year college, university, or approved vocational/technical school.

A total of $125,000 was available for distribution in both programs.

Chinese output up 48 pct.

BEIJING, China.—Chinese makers produced 205,000 motor vehicles in the first half of this year, up 48 percent from the year-ago period, according to the official Xinhua News Agency. The pace is well above the industry's planned production of 363,000 vehicles for 1985.

$49-over dealer sues GM; wins some, loses some

Continued from Page 3

Murphy allowed Peterson standing under the Minnesota antitrust law and under the federal Dealer Day-in-Court Act.

Finaliy, Judge Murphy refused to grant Peterson's request for a preliminary injunction that would have ordered GM to allocate, "preference" and deliver to JPM an allotment of vehicles each month. Peterson also wanted restrictions on wholesale financing by GMAC and an order that GM tell the public the availability of vehicles.

Judge Murphy decided that such an injunction would probably hurt GM and GMAC without necessarily benefiting JPM, already in a precarious position in bankruptcy proceedings.

Said Judge Murphy: "Both sides have raised valid points of public concern. The public does have an interest in increased competition in the automobile industry and resulting lower prices. The public also has a legitimate interest, however, in preserving the bankruptcy regulatory scheme and in preventing further financial loss to consumers and creditors."